

The ORIENTAL ECONOMIST

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NOVEMBER, 1957

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Sohyo & Nikkeiren

Tight Money in Swing

Mr. Nehru Comes to Japan

Revamping of Local System

Small Manufacturers of Export Goods

Living Standards Improvement

Japanese National Railways

Anti-Trust Law Revision

Export Bottoms

Tourist Industry

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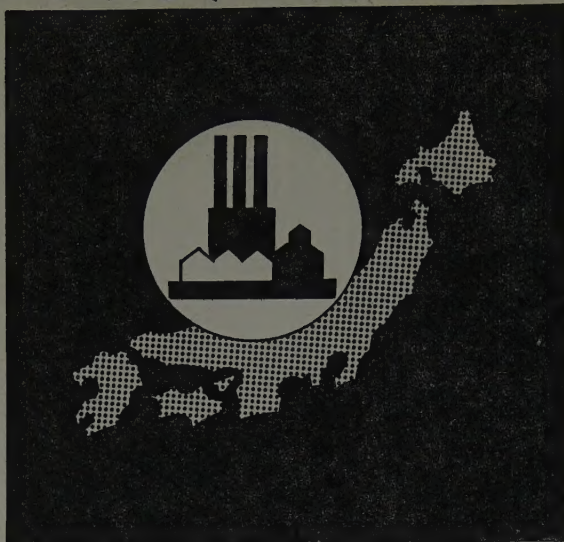
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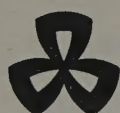
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Review of the Month

THE recent visit to Japan of Indian Prime Minister Jawaharlal Nehru has marked another milestone in friendly relations between this country and India. In the course of his 10-day state visit, the Indian Prime Minister had several important conferences with Japanese Government leaders including Prime Minister Nobusuke Kishi and Foreign Minister Aichihiro Fujiyama on key problems between the two countries and also contacted the Japanese people through tours of major cities. The joint communique issued by Prime Minister Kishi and Prime Minister Nehru on the night of October 13 plainly attests to the significant results achieved through frank and unbiased talks between the two executives. The joint communique revealed two particularly noteworthy achievements of the Indo-Japanese talks on the occasion of Mr. Nehru's visit—that Japan and India have made themselves more closely arrayed towards the problems of nuclear weapons and disarmament, and that the problem of Indo-Japanese economic cooperation has taken more concrete shape. On the drive against nuclear weapons and disarmament, the joint communique stated that the two Prime Ministers are convinced that “the piling up of arms, especially weapons of mass destruction by the major Powers spells grave danger to the peace of the world. In the recent invention of space missiles lie further dangers the nature and extent of which cannot yet be fully assessed. While comprehensive all round disarmament is essential, prohibition of the manufacture and use of nuclear and other weapons of mass destruction is urgent and imperative if the peoples of the world are to live in freedom from fear and enjoy the abundant life that modern science and technology offers.”

Pointing out that “the difficulties, arising mainly from lack of understanding and mutual confidence among the big Powers, have stood in the way of comprehensive agreement on disarmament,” the communique said that the two Prime Ministers “consider that the suspension of nuclear tests, the frequency of which has greatly increased during the past two or three years, must be the first step towards creation of conditions in which the prohibition of the manufacture and use of nuclear weapons and disarmament in other fields may become possible,” and assured that the two Prime Ministers “decided to instruct their delegates at the United Nations to cooperate with a view to bringing about the suspension of nuclear tests as well as an agreement on disarmament among the Powers concerned.”

Touching upon the problem of economic cooperation, the joint communique stated that the two Prime Ministers, desirous of having the trade agreement, now under negotiations between Japan and India, concluded as early as possible, also “recognized that there were many further fields of economic cooperation between Japan and India, such as long-term arrangements for the stabilized supply of iron ore from India to Japan and the financing of India's

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imports of capital goods from Japan, and they agreed that discussions should be held at the expert level between the two Governments." The joint communique also referred to Japan's willingness to extend co-operation with India in the way of Yen credit to finance the supply of capital goods from Japan for the implementation of India's second five-year plan and to Japan's offer to help in establishing technical training centres in India for the purpose of contributing to the development of medium and small-scale industries in India. The joint communique, referring to cultural exchanges between the two countries, clarified that the two Prime Ministers discussed in particular the possibility of exchanging professors and students, of encouraging mutual visits by scientists, artists and others eminent in the cultural life of each country, as well as exchanging films.

Prime Minister Nehru's visit has deepened understanding between Japan and India and has served to pave the path for future negotiations on many problems still outstanding between the two countries. For instance, both Japan and India have appealed for the early stoppage of nuclear tests by submitting to the present session of the United Nations General Assembly resolutions for the suspension of nuclear tests. These two appeals, however, are somewhat different in nature. India has advocated the immediate and unconditional suspension of nuclear tests from the viewpoint that the suspension of nuclear tests is the first step towards disarmament. On the other hand, Japan has claimed the need of general disarmament including military force and common weapons side by side with the suspension of nuclear tests. The adjustment of the different positions of the two countries has been left outstanding. Neither has agreement been reached on the problem of development funds for Southeast Asia, as the interests of the nations concerned are not necessarily uniform and consistent. In his talks with Mr. Kishi, Mr. Nehru did not change his cherished theory that individual development projects separately applicable to two or three nations would be more realistic than a development scheme aimed at a group of several nations as the interests of the Asiatic countries concerned are not unconditionally compatible. Disagreement between the two countries on certain problems, however, was principally due to differences in geographical conditions or historical backgrounds, and does not, therefore, in the least devalue the significance of the present Indo-Japanese conference. It was confirmed through the present talks that Japan and India completely agreed on the basic policies towards the two crucial issues—world peace and economic development of Asia. Japan on its part should be fully prepared to redouble efforts for the furtherance of a state of cooperation between the two countries clarified by the Kishi-Nehru talks and to make it a new start for stronger ties with other Asiatic countries.

AN optimistic atmosphere has begun to prevail in economic circles in recent months on the strength of some new stimulants such as the improving balance of international accounts, the stiff tone of whole-

TIGHT MONEY IN SWING sale prices and the prospective excess of financial fund payments over withdrawals in the third quarter. At the meeting of the Cabinet Ministers

held on August 30, the Government estimated that the balance of Japan's international accounts for fiscal 1957 (ended March, 1958) would slip into the red to the amount of \$475 million, but later developments signify that the actual deficit in the external accounts may be dwarfed to a smaller sum. The wholesale price index, which dived 7.4 percent from April through August, rallied 3.0 percent in September through October. Industrial production in August dipped 4.1 percent from July, but still stood 14.6 percent higher than the comparable month a year ago. Consumer spending also has continued energetic and is bound to surge up further as the income in the agrarian community is due to increase on the spur of a bumper crop of rice, the third in these three successive years. Against these encouraging backgrounds, the general zeal for investments has continued unabated. With the propensity to invest still high and consumer spending going strong, there is every fear that the existing stocks of raw and processed materials will be exhausted before long and imports will come to exceed exports again. It is in these circumstances that the Government and the Bank of Japan have made it plain to retighten their purses and brake the growing optimism so that their tight-money endeavors since May might not be brought to naught. At a conference of local branch chiefs held in Tokyo on October 7, Governor Masamichi Yamagiwa of the Bank of Japan warned that money would be held continuously tight and might be made tighter depending on future developments. Finance Minister Hisato Ichimada, at a press conference held on October 11, also clarified that the Government had no intention whatever of slackening the tight-money policy by stressing the need of taking supplementary measures if the integrated financial policy adopted to better the balance of international accounts demands a new prop. The Government and the Bank of Japan have been drafting concrete measures to deal with the present economic transitions. To cope with the payment excess in prospect, the Bank of Japan is getting ready to resort to open-market operations by selling about ¥70,000 million worth of bonds and debentures in late October or November. Also included in new tight-money measures are the speedy recollection of Bank of Japan loans to city banks, the strengthening of restrictions over new loans to be accommodated by the central bank, and the further encouragement of savings through the boost of interest rates on postal savings. Another elevation of the discount rate by the Bank of Japan is also envisaged, depending on future developments in the money market. The economic situation, however, is not likely to assume so adverse proportions as to demand a drastic measure like another discount rate hike. Month-end inventories of manufactured goods as of August were more than 50 percent larger than those a year ago. As the frame of inventory financing operations is limited, it is probable that the prices will begin to tend downward sooner or later under the impact of heavy inventories. Production will be accordingly curbed. With the Government and the Bank of Japan thus making it unalterably clear that the tight money policy will not be unbridled in the least, business is not expected to pick up again to the retreat of deflation, at least for the time being.

THE draft plan of a new provincial system providing for an epochal rearrangement of existing prefectures was approved at the general meeting of Local System Investigation Committee (Tamon Maeda,

REVAMPING OF LOCAL SYSTEM

chairman) on October 17. The Local System Investigation Committee was organized in the autumn of 1952 as a consultative organ to the Prime Minister assigned with the task of making exhaustive researches and studies on Japan's provincial systems in general. As the Government and the Diet attach great importance to the reports by the Committee for reforms of administrative and financial structures in the provincial systems, its verdicts have a cardinal bearing on the future of provincial systems. The new reform plan, on which the Committee was working since March, this year, aims at promoting local administrative operations by revamping the existing prefectural system and through the elimination of many and various obstacles crippling overall national planning. Since the adoption of the existing prefectural system in the Meiji era, the number of towns and villages has dwindled through mergers into cities while the number of prefectures has been left unchanged. Some of these prefectures are rich with their highways and public buildings highly modernized while others, financially deficient, cannot afford to keep such facilities properly cared for. Prefectural sectionalism also would stand in the way of comprehensive development plans covering several prefectures. The new prefectural reform plan calls for the rearrangement of the existing 46 prefectures into seven to nine blocs to be named provinces. Salient points of the new plan are as follows: 1) The existing prefectures will be regrouped into seven to nine "blocs" in full consideration of topographical, geographical, social and other conditions; 2) i—Each province will have a local diet as the legislative organ with its members to be directly elected by its residents for the term of four years. The membership of each local diet will be fixed at between 40 and 120. ii—Each province will have a governor as the executive organ to be named by the Prime Minister with the approval of the local diet. The governor will be a public worker to serve for a tenure of three years. The local diet is authorized to ask the Prime Minister to discharge the governor. iii—No administrative council will be created in provinces except under special circumstances. iv—Branches of provincial governments will be stationed in suitable places such as the sites of the present prefectural governments; 3) Functions: i—provincial governments will be assigned with businesses at present executed by the Central Government and transferrable to provinces and businesses at present executed by prefectural governments and not transferrable to cities, towns or villages. ii—Businesses at present being executed by local agents of the Central Government will be transferred to provincial governments as much as possible to the abolition of such local agencies; 4) Finances: Provincial governments will be authorized to levy taxes for the simplification of national tax procedures. They will also be authorized to float local bonds.

The provincial system reform plan is generally considered to have closely connected with the Bill for the Creation of the Home Ministry still on tapis of the National Diet principally for the reason that the new reform plan apparently carries suggestions threatening the revival of a bureaucratic setup before the war when centralized authoritarian rule was in flower. Prefec-

tural governors today serve as executive organs for autonomous bodies to be elected by residents in respective prefectures. In the reform plan, provincial governors, the equivalent of prefectural governors, are to be governmental employees to be appointed by the Prime Minister. In other words, they are to serve as local agencies of the Central Government. Under the new system, therefore, educational and police administrations now in the hands of prefectural governments, are destined to move to the Central Government. Such a drastic reform can be carried out only by an extremely powerful government. Whether the Liberal-Democratic Party, with a general election close at hand, is courageous enough to submit the bill embodying the present reform plan to the next ordinary session of the Diet, therefore, remains to be seen.

THE autumn offensive of the General Council of Japanese Trade Unions (*Sohyo*) reached its zenith with the slowdowns of four public workers unions (All-Monopoly Corporation Workers Union, National Rail-

SOHYO & NIKKEIREN

ways Locomotive Engineers Union, All-Japan Communication Employees Union, and National Telecommunication Workers Union), which rejected any overtime operations as from October 16, and the strikes launched by three largest private industry workers unions (Japan Federation of Iron & Steel Industry Workers Unions, National Federation of Shipbuilding Industry Workers Union, and Japan Coal Miners Union) on October 17. The three private industry workers unions have demanded monthly wage raises ranging from ¥2,000 to ¥3,000 with the Japan Coal Miners Union also asking for the upward revision of retirement allowances. To cope with the situation, *Nikkeiren* (Japan Federation of Employers' Associations) adopted a resolution determining the management's attitude towards the workers' offensive at its general meeting held on October 17. The resolution provides for three measures to be taken to avoid the chances of a labor-management confrontation—1) The establishment of a rational wage boost formula; 2) The stabilization of a better labor-management relationship; and 3) Completion of effective policies towards labor among small businesses and industries. The resolution particularly referred to the present system of "checking off union fees" directly from payrolls by urging unions to use their good sense to rectify this abnormal system. Hajime Maeda, *Nikkeiren's* executive director, reported on the latest labor situation at the general meeting by stressing that 1) The rising rate of wages in key industries in recent years has been so high as to eclipse the increasing rate of industrial productivity. This tendency, if left unbridled, threatens to invite the so-called "cost inflation" through the hike of prices due to rising production cost; and 2) The autumn labor offensive would not come to assume critical proportions.

The management's attitude at the general meeting of *Nikkeiren* was comparatively generous and compromising. On the other hand, the Japan Coal Miners Union, believed the last to bow, came to a compromise on October 22 while the National Railways Workers Union, another die-hard of striking unions, has started talks with the J.N.R. management for a compromise through Keizo Fujibayashi, chairman of the Public Corporation & Government Enterprise Labor Relations Committee. With the action of its two leading member unions thus stalemated, it is generally believed that *Sohyo's* autumn offensive this year is likely to end half done.

Business Indicators

Prices:—The wholesale prices, on the retreat from April through August almost without a break, have begun to stiffen from early September. In the course of the April-August recession marked with the average slip of 7.5%, major losers were foodstuffs (down 7.4%), textiles (down 6.3%) and metals (down 4.1%). Food items slipped principally because of the advent of the crop seasons for perishables while increasing signs of overproduction proved a major brake to textile prices. The dip of metals prices came in the form of rectifications of excessive gains which had marked all metals for several months. The alleviation of iron-steel supply stringency through swelling imports and larger production was another damper. From early September, however, wholesale prices started to stiffen with the overall index for the month registering the increase of 2.2%. On the list of gainers, metals took the lead with the rise of 6.9%, as the production curtailment of steel products (chiefly bars, shapes and wire-rods) lifted the market while the fair demand for steel plates by the still booming shipbuilding industry lent an additional impetus. Food items also bulged 3.8% during September as deliveries began to dwindle with the start of the off-crop season. From early October, textiles began to recover while fuels also started to tighten with the advent of the demand season.

Living Cost:—Following the path entirely counter to the course of wholesale prices, consumer prices continued rising throughout the first eight months of 1957 except a passing standstill in June. Thus, the average index of consumer prices as of August was 5.2% higher than a year ago. The upward spiral of consumer prices during the eight-month period was led by non-staple food items which rose 8.6% in the interim, with light-fuel expenses following with the gain of 7.3%. All food items (staple and non-staple inclusive) increased 7.2% and housing expenses rose 5.8%. The stiffness of consumer prices in comparison with the weakness of wholesale prices is attributable chiefly to the hike of retail prices of consumer goods based on the continued animation of consumer demands.

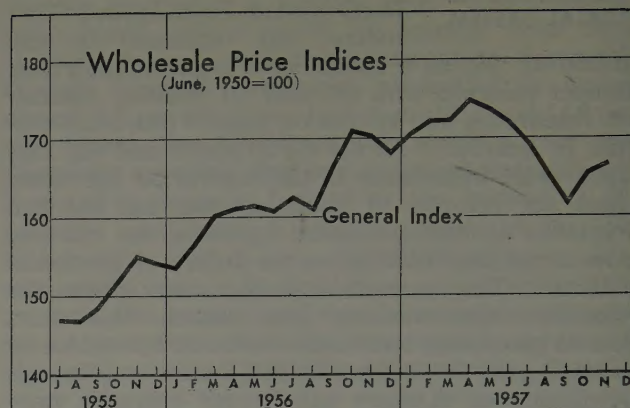
1. WHOLESALE PRICE INDICES

(June, 1950=100)

	March, 1957	August, 1957	Sept., 1957	Against Sept., 1956
Total Average	174.6	161.7	165.3	96.7
Foodstuffs	164.8	152.6	158.4	106.0
Textiles	89.2	83.6	84.0	91.2
Fuels	174.2	180.9	181.4	110.1
Metals	307.4	233.3	249.3	73.6
Machinery	200.6	199.5	197.3	104.6
Building Materials	248.6	252.2	252.3	112.1
Chemicals	108.9	107.4	107.4	101.2
Sundries	137.7	139.9	139.6	104.3
Producer Goods	186.8	172.3	175.7	93.3
Consumer Goods	152.8	142.9	146.9	105.1
Investment Goods	276.5	238.8	247.2	96.8

Note: As of mid-month.

Source: Economic Planning Board.



Consumer Demand:—Department store sales, an authentic yardstick of consumer demand, registered a gain of 33.7% in July over a year ago—a notably good showing in view of the fact that the increase in the sales in July, 1956 over a year before (July, 1955) was restricted to 22.6%. In reaction to the particularly noteworthy gain in July, August department store sales apparently failed to make an equally active increase. For instance, the August sales of department stores in the Tokyo area were only 15.4% higher than a year ago (as compared with a 26.1% hike in August, 1956 over a year before). The August showing of department store sales, however, does not necessarily signify the stagnancy of consumer demands. With the income of the agrarian community due to continue fair on the strength of the prospective bumper crop of rice for 1957 (the third in these three years) and the income of the wage-earner in the urban area also up comfortably, the growth of consumer demands is destined to swell uninterruptedly for some time to come. Plant and equipment investments have continued still active in the face of the partial deferment of investment plans under the tight-money policy. Investments in inventory financing, on the other hand, are likely to dwindle as stocks of manufactured goods, increasing at an active pace, are demanding proper adjustments.

2. TOKYO CONSUMER PRICE INDICES

(1951=100)

	July, 1957	Aug., 1957	Against July, 1957	Against Aug., 1956
Total Average	122.3	122.5	100.2	105.2
Foodstuffs	117.8	118.2	100.3	107.2
Staple	127.2	127.0	99.8	104.8
Non-staple	112.9	113.5	100.5	108.6
Clothing	83.2	83.3	100.1	101.1
Light-Fuel	146.0	146.6	100.4	107.3
Housing	152.8	152.5	99.8	105.8
Miscellaneous	145.2	145.2	100.0	102.0

Source: Bureau of Statistics, Prime Minister's Office.

Production:—With demands maintained at a high plane, production kept on increasing in the first seven months of 1957 with the lone exception of June. The decline of wholesale prices from April

3. DEPARTMENT STORE SALES

	1955		1956	
	¥100 million	Indices (A year ago as 100)	¥100 million	Indices (A year ago as 100)
December	410.2	111.6	525.7	128.2
January	145.8	113.6	172.3	118.2
February	145.3	120.4	176.0	121.1
March	203.1	117.2	260.0	127.9
April	196.2	118.0	239.0	121.8
May	176.2	119.2	212.0	120.2
June	181.1	123.1	222.3	122.8
July	236.9	112.6	297.2	133.7

Source: Compiled by *The Oriental Economist* from MITI figures.

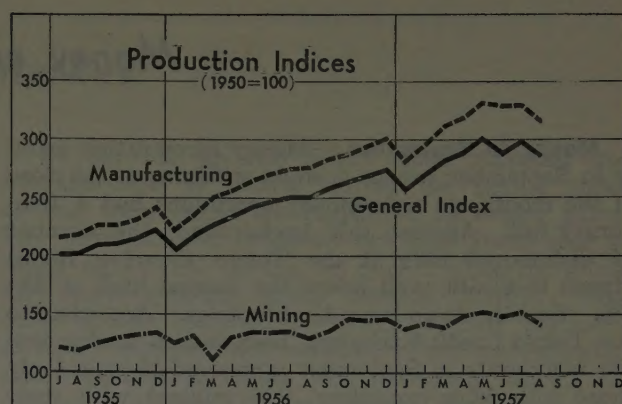
through August was due chiefly to the permeation of deflationary developments in the distribution sector, but production continued to stand aloof from any deflationary repercussions until July. Industrial production (mining and manufacturing inclusive), however, began to slip in August, registering the loss of 4.1% from July. On the list of August losers, rubber goods, leather goods and mining receded by 8-9% from July levels. Also down about 6% were machinery, chemicals and iron-steel products. Among machinery items, those catering to electric power registered the heaviest loss of about 10%, while equally marked was the retreat of transportation machinery due to a production curtailment at automobile factories. The effect of production curtailments in the textile sector is bound to become apparent from September. With deflationary dampers thus steadily permeating in industrial production, it is problematic whether production adjustment (curtailment) operations now in swing may be smoothly propelled in the future, as the present lull in the deflationary developments noted in the price phase of the national economy may make manufacturers easy-going again in production curtailment projects.

4. JULY PRODUCTION INDICES
(1950=100)

	July, 1957	Aug., 1957	Against July, 1957	Against Aug., 1956
Mining-Manufacturing	298.0	286.6	95.9	114.6
Mining	151.6	139.9	92.3	107.9
Manufacturing	329.4	316.8	96.2	115.2
Iron & Steel	281.8	265.4	94.2	112.5
Non-Ferrous Metals	2,360	233.2	98.8	116.0
Machinery	439.2	411.0	93.6	134.3
Steel Ships	720.3	720.3	100.0	115.5
Rolling Stocks	222.2	222.2	100.0	98.1
Textiles	353.0	341.8	96.8	111.7
Paper & Pulp	348.7	339.2	97.3	115.3
Chemicals	311.4	294.1	94.4	117.0
Pharmaceuticals	1,276.0	1,276.0	100.0	150.0
Oil Products	601.3	572.1	95.1	114.6
Ceramics	250.9	249.2	99.3	115.9
Rubber Goods	234.2	214.1	91.4	130.6
Leather Goods	289.5	266.8	92.2	95.3
Daily Necessaries	241.5	242.0	100.2	105.6
Lumber	186.2	186.2	100.0	109.7
Foodstuffs	230.9	224.2	97.1	102.7
Tobacco	161.3	160.1	99.3	100.8

Source: MITI.

Inventories:—The latest growth of manufactured goods inventories in the hands of manufacturers, however, is bound to compel the early start of production curtailment projects whether they like it or not. According to the Ministry of International Trade & Industry, the balance of manufacturers' inventories as of the end of August was 4.8% larger than a month ago and 50.8% heavier than a year



before, as the tempo of production expansion eclipsed the rising pace of consumer demands. The increasing hesitancy of merchants in restocking operations since the inauguration of new tight-money measures in May has served to further boost manufacturers' stocks. August-end inventories of machinery and textiles increased particularly by more than 71.0% over a year ago, while non-ferrous metals bulged by 59.0% and paper-pulp swelled by 55.0%. Equally up were petroleum products (up 52.0%), iron-steel products (up 50.0%) and rubber goods (up 47.0%).

Far less conspicuous was the increase of inventories in the hands of merchants, as they were extremely hesitant in resorting to hasty restocking operations. Although merchants stocks decreased in some sectors, the July-end index was still 18.7% higher than a year ago. With the inventories of manufactured products thus making steady headway, the adequate readjustment of supplies and demands through production curtailment has become necessary. Under these circumstances, production is likely to slip further in the future. The more timely such production adjustment operations are undertaken, the quicker will be the end of deflationary developments. On the other hand, a section of industrial circles is endeavoring to maintain the present production tempo unslackened in order to avoid the elevation of production costs. If, therefore, production adjustment operations are perchance delayed, the prices are certain to tend downward again to the procrastination of the present "depression."

5. INDICES OF MANUFACTURERS' INVENTORIES
(1950 average=100)

	July, 1957	Aug., 1957	Against July, 1957	Against Aug., 1956
Mining-Manufacturing	195.3	204.7	108.4	142.5
Mining	48.1	49.7	103.3	90.5
Manufacturing	214.0	224.3	104.8	153.6
Iron & Steel	208.5	227.4	109.1	149.8
Non-ferrous Metals	117.4	127.3	108.4	158.0
Machinery	216.4	330.9	136.7	171.3
Textiles	206.0	206.8	100.4	171.9
Paper, Pulp	330.6	407.0	123.1	154.6
Chemicals	333.6	353.4	105.9	133.8
Petroleum, Coal Products ..	263.6	270.4	102.6	152.3
Ceramics	159.3	158.4	99.4	112.1
Rubber Goods	355.1	287.6	94.3	147.3
Hides, Leathers	142.6	153.9	107.9	120.0
Others	131.2	133.2	101.5	134.7

Source: MITI.

Money and Banking

Money in September:—Money fared rather calmly in September except a slight stiffening at the close of the month, as tight-money operations had a temporary lull. Against this background, the number of dishonored bills at the Tokyo Clearing House dipped to 61,640, well below the August high at 63,785. Equally down were bankruptcies. According to the Tokyo Credit Exchange, insolvencies among textile merchants in September numbered 46 cases (only those with debts exceeding ¥10 million) with their liabilities totalling ¥1,750 million, seven cases and ¥390 million less than August. Unexpected quiet on the monetary front in September was due chiefly to the comparatively small volume of financial fund withdrawal excesses in the month. September over-withdrawals were restricted to ¥37,400 million, far less than the originally-set mark of ¥60,000 million. Responsible for the tinier Treasury-to-public balance for the month under review were: 1) With Japan's international accounts tending to become more harmoniously balanced in September, the withdrawal excess in the Foreign Exchange Account was limited to ¥9,100 million; 2) the standstill of tax revenue due to the permeation of deflationary developments; and 3) the smooth progress of payments for public works operations and local tax transfers. On the other hand, the demand for industrial and business funds proved active to cope with the continuous excess of fund withdrawals and the term-end growth of payments. Hence, loans in the accounts of all banks in September registered a comfortable increase of ¥147,300 million (¥151,200 million in the comparable 1956 month) while the gain of real deposits during the month was restricted to ¥105,100 million (as compared with ¥151,100 million a year ago, resulting in a loan excess of ¥42,200 million. As a consequence, Bank of Japan loans bulged ¥41,800 million during the month.

April-Sept. Movement:—Money in the first half of fiscal 1957 (April to September) was marked by the shrinkage of the Bank of Japan note issue by ¥12,700 million (a decrease of ¥24,700 million in the comparable period in 1956) and the ¥278,900 million withdrawal excess of financial funds (a withdrawal excess of ¥43,700 million), two developments contrary to the equivalent movements a year ago, due chiefly to the impact of tight-money measures. In closer analysis, the Bank of Japan note issue in the first quarter (April-June) increased ¥10,900 million, but the second quarter (July-September) saw the balance slip by ¥23,500 million with the result that the first-half balance witnessed the shrinkage of ¥12,700 million. The principal factor contributing to the dwarfing of the note issue was the elevation of the official discount rate (the second this year) by the Bank of Japan on May 8. This step served to force money to grow tighter and ready cash became short in hands of business. Hence, more payments were made by bills. Bank of Japan experts, however, opine that the impact of the tight-money policy has just been felt in the commercial sector of the national economy with the manufacturing branch still comparatively free from consequent pressure. In the

financial phase, the first half registered a withdrawal excess of ¥278,900 million, including ¥177,700 million in the first quarter and ¥101,200 million in the second quarter. In this withdrawal excess, the Foreign Exchange Account predominated by accounting for ¥182,100 million in the total receipt recess, well reflective of the phenomenal aggradizement in imports in the international accounts. Meanwhile, the withdrawal excess in the Foreign Exchange Account, which totalled ¥122,500 million in the first quarter, dwindled to ¥59,600 million in the second quarter, as tight-money measures forced imports steadily down. Another outstanding feature in the first half was the gradual decrease in tax revenue, as tight-money measures began to compel the increasing number of tax payment defaults in August and September.

During the first half, Bank of Japan loans registered a gain of ¥286,600 million (an increase of ¥64,000 million in the comparable period in 1956), with the outstanding balance as of the end of the period (September) standing at ¥563,000 million (as compared with ¥600,000 million a year ago). Meanwhile, the interest rates on loans by commercial banks began to tend upward since the start of the current fiscal year with the average of all banks as of the end of August (the latest reportable) registering 2.33 sen (for ¥100 per diem: 8.5% per annum), up 0.08 sen (0.3% per annum) over the comparable average as of the end of March at 2.252 sen (8.2% per annum). This trend became particularly accentuated after the raise of the official discount rate by the Bank of Japan on May 8.

Bank Loans:—Bank loans in the first half registered a sharp gain of ¥420,500 million, almost equal to the comparable gain a year ago at ¥461,300 million. On the other hand, the increasing pace of deposits at all banks apparently marked time with real deposits rising by only ¥140,300 million in the first half (as compared with the hike of ¥388,400 million a year ago). Thus, a state of overloans became more conspicuous. This was particularly the case with city banks which registered a gain of only ¥28,700 million in real deposits as compared with the ¥260,500 million boost in loans. The increase in loans received by city banks from the Bank of Japan registered a notable increment of ¥280,800 million in the first half. Provincial banks made a better showing with their loans extended in the first half up ¥112,100 million as compared with the ¥110,200 million boost in real deposits. Hence, the increase in their lendings from the Bank of Japan amounted to only ¥300 million.

MONEY IN FIRST HALF (In ¥100 million)

	September, 1957	September, 1956	First Half, 1957	First Half, 1956
1. Financial Funds	△374	51	△2,789	△437
2. Short-term Bonds	10	15	59	75
3. Bank of Japan				
Account-Loans	418	△14	2,866	640
(Balance)	(5,630)	(913)		
Short-term Bonds ..	△14	△9	△48	△16
Long-term Govt. Bonds	—	—	8	△64
Private Deposits	△5	△14	△49	205
Others	△4	41	△174	△156
Total	395	4	2,613	639
4. Note Issue Gains	31	70	△127	247
5. Note Issue Balance....	6,535	5,995		

Notes: △—decreases: Others—increases.

Source: Finance Ministry.

Stock Market

Down Again:—After a comparatively steady advance for about two months from early August through September, the share prices at the Tokyo Securities Exchange began to collapse again from mid-October. The market started the month of October more or less in a sound tone with the Dow-Jones average of the 225 pivots registering ¥539.59 on October 3, marginally higher than the September high (on the 11th) of ¥539.57 and a new peak since July. The market, however, began to soften from October 4 and the average hit a new low in many months at ¥508.82—a comfortable loss of ¥30.37 or 5.72% from the October 3 high. Chiefly responsible for the collapse was a reactionary recession of leading shares which on the strength of bulky buying operations in evidence since August grew somewhat abnormally strong in the preceding two months or so. The rectification of an unexpectedly early recovery of the stock market, which had been apparently in the offing from late September, was accelerated by the two additional dampers—the crash of the New York stock market and the rumored possibility of another boost of the official discount rate by the Bank of Japan. The recovery, which started from August, was surprisingly swift, as the October 3 average at ¥539.59 was ¥67.12 (14.21%) higher than the July (25) low of ¥472.43—an exceptionally energetic gain in a short period of only two odd months.

1. AVERAGE SHARE PRICES AND DAILY TURNOVERS

	Share Price (Yen)			Average Daily Turnovers (1,000 shares)
	High	Low	Average	
1956: November	556.58	512.94	532.76	39,673
December	566.30	542.91	554.92	28,163
1957: January	586.01	549.41	572.80	39,771
February	587.88	592.91	573.99	30,390
March	587.00	570.27	567.73	27,692
April	593.47	581.33	587.55	31,920
May	595.46	554.71	547.58	29,806
June	582.72	517.01	524.73	17,772
July	515.86	472.43	495.89	18,048
August	530.54	488.57	511.93	21,594
September	539.57	523.13	532.32	30,425
October (1-12) ..	539.59	508.82	526.67	28,228

Source: Compiled by The Oriental Economist for all the tables.

Of the 225 pivots which thus recorded the average hike of 14.21% during the period under review, some industrials registered far wider gains. For instance, the precision machine group rose as much as 74.17% during the period while the glass-clay-stone products group climbed 38.64%. Five other groups (mining, machinery, electric machines & tools, transportation machinery, and warehousing) also registered increases well exceeding 20.0%. Individually studied, Canon Camera and Nippon Kogaku stocks led the advance of the precision machine group while Mitsubishi Mining and Hokkaido Colliery took the helm of the mining group. The machinery group soared particularly on the strength of Ebara Manufacturing and the electric machines & tools group depended much on the boost of Matsushita Electric and Yokogawa Electric. Responsible for the march of the transportation machinery group were the stiff showings of Mitsubishi Shipbuilding, Mitsui Shipbuilding, Toyota Motor and Nissan Motor while Mitsui Warehousing accounted chiefly for the increment of the warehousing group. As may be noted from Table 3, the advances of other groups also owed much to the lead of a selected few favorites on which heavy buying operations were focussed. As bulky buying operations were directed to limited volumes of such leaders, the prices naturally were boosted to excessive extents. Thus, the market slump which started from October 4 tended to victimize most of these choice gainers.

New Investment Trust:—The active recovery of the stock market owed much to a new open type of investment trust inaugurated by the two leading securities merchants—Yamaichi Securities and Nikko Securities from September. Investment trust (a closed type) was started by seven major securities companies (Nomura, Yamaichi, Nikko, Daiwa, Osakaya, Osaka Shoji and Ohi) in 1951, and open-type investment trust was initiated by Daiwa in 1952. The number of subscribers to investment trust contracts has since been increasing by leaps and bounds, thus serving as a cardinal stimulant to the rise of share prices in the past several years.

2. PRICE TRANSITIONS OF 22 PIVOTALS

	July 25 (A) (yen)	Oct. 3 (B) (yen)	Oct. 11 (C) (yen)	(A-B) (yen)	Pct. (%)	(B-C) (yen)	Pct. (%)
Average of 225 Pivots	472.43	539.59	508.82	67.16	14.21	30.87	5.72
Fisheries	140.60	157.14	152.63	16.54	11.76	4.51	2.87
Mining	314.29	381.43	346.57	67.14	21.33	34.86	9.13
Foodstuffs	866.00	1,030.48	983.56	134.48	16.12	46.92	4.55
Textiles	499.37	566.62	544.46	67.25	13.48	22.16	3.91
Paper, Pulp	592.71	643.23	617.19	50.52	8.50	26.04	4.04
Chemicals	293.16	322.84	301.65	29.68	10.12	21.19	6.56
Petroleum, Coal Products	1,315.25	1,400.00	1,335.85	84.75	6.44	64.15	4.58
Glass, Clay, Stone Products	772.88	1,071.59	951.14	298.71	38.64	120.45	11.24
Primary Metals	149.29	172.70	162.34	23.41	15.68	10.36	5.99
Machinery	232.10	280.97	257.39	48.73	20.99	23.58	8.38
Electric Machines, Tools	263.95	320.65	312.58	56.70	21.48	8.07	2.51
Transportation Machinery	235.41	292.77	269.08	57.36	24.36	23.69	8.09
Precision Machines	256.15	446.15	391.54	193.00	74.17	55.61	12.46
Other Manufacturing	413.73	490.07	461.59	76.34	18.45	28.48	5.81
Commerce	887.14	914.29	877.86	27.15	3.18	36.43	3.11
Banking, Insurance	577.55	574.15	568.03	→ 3.40	0.59	6.12	1.06
Real Estate	1,214.75	1,357.38	1,255.74	142.63	11.74	101.64	7.48
Land Transportation	351.54	352.01	347.22	0.47	0.13	4.79	1.36
Ocean Shipping	197.87	179.27	167.50	→ 18.60	9.40	11.77	6.56
Warehousing	677.50	850.00	757.50	172.50	25.46	92.50	10.76
Electricity, Gas	198.13	195.97	195.83	→ 2.16	1.09	0.14	0.07
Service Professions	298.73	295.97	295.34	→ 2.76	0.92	0.63	0.24

3. MAJOR SHARE MOVEMENTS (Share Prices in Yen)

	October 11	Up over July 25	Down from Oct. 3
Mitsubishi Mining	98	32	8
Hokkaido Colliery	115	38	12
Ube Industrial	125	38	8
Dowa Mining	130	55	23
Taito	308	82	27
Toyo Sugar	173	30	7
Morinaga Confectionery	165	32	0
Nippon Breweries	146	31	10
Noda Shoyu	232	35	8
Toyo Spinning	200	47	15
Japan Wool Textile	140	33	10
Toyo Rayon	240	39	18
Ohji Paper	245	30	12
Juho Paper	282	34	15
Cas Kagaku	149	30	0
Sankyo Pharmaceutical	159	35	14
Yokohama Rubber	139	35	13
Asahi Glass	235	67	23
Nippon Sheet Glass	165	36	20
Iwaki Cement	280	94	37
Nippon Toki	220	93	35
Nippon Gaiishi	261	81	25
Shinagawa Fire Brick	157	67	29
Nippon Light Metal	159	30	16
Ebara Mfg.	208	59	16
Matsushita Electric	232	78	25
Yokogawa Electric	137	37	20
Mitsubishi Shipbldg.	90	31	11
Mitsui Shipbldg.	118	44	12
Nippon Kogaku	135	58	18
Canon Camera	229	136	37
Nippon Musical Instruments	195	46	14
Nissan Motor	110	38	18
Mitsui Real Estate	330	40	25
Toyota Motor	164	90	17

"Fall High" Unlikely:—The so-called "autumn high" is not likely to mark the stock market this year. Economic operations in Japan would become activated usually with the advent of the fall season as bulky quota-rice payments are generally made by the Go-

4. INVESTMENT TRUST (CLOSED-TYPE) (In million Yen)

	Estab- lished	Cumulative totals	Can- celled	Redeemed	Out- standing
1957: January	7,050	213,450	2,695	—	70,915
February	5,650	219,100	1,887	931	73,748
March	6,370	225,470	1,598	1,167	77,356
April	6,500	231,970	1,918	1,012	80,927
May	6,150	238,120	1,379	259	85,439
June	5,550	243,670	633	784	89,573
July	5,850	249,520	952	659	93,815
August	6,300	255,820	686	328	99,002
September ..	3,300	259,120	1,488	707	100,107

5. INVESTMENT TRUST (OPEN-TYPE) (In million yen)

	Estab- lished	Cumulative totals	Can- celled	Out- standing
1957: January	208	2,659	—	1,188
February	268	2,926	—	1,665
March	522	3,448	—	2,187
April	135	3,584	133	2,189
May	181	3,765	—	2,371
June	—	3,765	—	2,371
July	473	4,239	—	2,844
August	607	4,846	—	3,451
September	15,852	20,702	—	19,307

vernment and money gets easier. The situation this year is somewhat different, as the Government has decided to maintain its tight-money policy started in May, this year to cope with the adverse balance of international accounts. Under this policy, money is bound to continue tight despite the release of bulky financial funds through quota rice payments. On the other hand, no further collapse of stock prices is in prospect as almost all stocks have hit the bottom in the course of the early October smash. With all surrounding circumstances taken into account, no reanimation of the stock market on the spur of easier money is to be expected this fall.



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Anti-Monopoly Law Revision

FOR the purpose of drafting amendments of the Anti-Monopoly Law (Law Concerning Prohibition of Private Monopoly and Maintenance of Fair Trade), the Government has formed a deliberative council, and the inaugural meeting of this body, headed by Prof. Ichiro Nakayama of Hitotsubashi University, was held on October 18. Since revision of the Anti-Monopoly Law has been a long-pending issue this step, though somewhat tardy, is certainly welcome.

Nevertheless, according to hearsay, there appears to be considerable divergence of views among the Government authorities involved, although basically the Fair Trade Commission, the Ministry of International Trade and Industry, and the Economic Planning Board are fully agreed as to the necessity of revising the present law. Furthermore, private economic organizations have much to say about this matter. Consequently, regardless of the content of the council's recommendations, it is predictable that decision on the final draft of the amendment bill may by no means be easy.

Such being the case, and in the light of our country's economic development, it will be essential to have general agreement on the basic thinking. To this end there must be no overlooking of the points outlined below.

First there arises the question of whether or not the Anti-Monopoly Law in its present form is compatible with the economic conditions of Japan. The Law was amended in 1953, a year after the ending of the Allied Occupation, to make it more applicable to the situation. But there was not the slightest modification of the principle that all acts in restraint of free competition are detrimental to the public interest.

This principle, needless to say, expresses the spirit of the American Anti-Trust Act; but there must be recognition of the fact that there are vast differences between the economic foundations of Japan and those of the United States or western Europe. In short, there can be seen in Japan, in all phases of the economy, far more intense and excessive competition than has ever been experienced in Europe or America.

For example, in the United States the price of steel is kept steady, with dumping resorted to seldom if ever, although no cartel exists. When demands decline, production is cut back to maintain equilibrium. This adjustment is carried out on an individual and independent basis, with U.S. Steel normally taking the lead. In the case of Japan, however, even the biggest integrated steelmakers are pushed around by the small operators, and are unable to desist from making fairly big changes in list prices. With such conditions prevailing in steel, a field do-

minated by big corporations, words cannot adequately describe the instability of supply and demand, and the excessive competition faced by other smaller, less concentrated businesses and industries. Whenever some profitable business appears, not only the immediate competitors, but even operators of quite dissimilar industries promptly join in a cut-throat free-for-all. This is the outcome as well as a cause of failure to make any serious endeavor to develop a unique field of activity through assiduous cultivation of specialized work, techniques, and customers.

Because inside Japan such singleness of purpose is practically non-existent and the law of the jungle prevails, little attention is paid to the deplorable situation. But in our dealings with foreign countries this insouciance can lead to disaster. To the foreign eye, the conditions appear to verge on anarchy; and our goods are shut out in self-defense against alleged dumping, while foreign supplies can be bought only at exorbitant prices.

The Fair Trade Commission will be the first to admit that since the revision of the Anti-Monopoly Law in 1953 there has been a steady stream of exemptions to the Law. Moreover, although not legal in the strictest sense there have been permitted concerted acts of restraint on competition by such anomalous subterfuges as Government-recommended cutbacks of production. These facts point to the incompatibility of the Anti-Monopoly Law in its present form, and there should be no hesitancy in accepting this to be the obvious truth.

Naturally, although the Law may have its shortcomings, the defects do not in any way condone private monopoly, or unjustifiable or unfair practices in trade. It is no secret that there do exist businesses guilty of practices obstructing "democratic and sound development of the national economy." Consequently, the Anti-Monopoly Law must, by its very nature, contain provisions for the instigation of investigation proceedings for ascertaining the existence of private monopoly or unfair practices when complaints are lodged, or when the Fair Trade Commission itself comes across questionable acts. But here again a problem is incipient. Past experience has shown that the hearings and rulings of the Fair Trade Commission have not always been just or successful. A good example of a poor ruling is that made in connection with the notorious Omi Spinning case.

As is well known, the Fair Trade Commission in this particular instance ruled that the placing of directors in the Omi Spinning Company by the creditor bank was illegal, and ordered their removal. This was entirely in accordance with the Law. But

judging from the results, with the very existence of Omi Spinning in precarious balance, can it be honestly said that the Fair Trade Commission's action was satisfactory? Does it not appear that the FTC, preoccupied with strict interpretation of the Law, failed to give adequate cognizance to the purpose of the Anti-Monopoly Law, namely, "promotion of business activity, and elevation of the levels of employment and real national income?" We regret to have to say we have profound doubts.

Small Manufacturers of Export Goods

THE summary given below is that of a report which constitutes a portion of the "General Survey of Medium and Small Enterprises Engaging in Manufacture for Export," a joint project of the Medium and Small Enterprises Agency and the Commercial and Industrial Economic Research Institute of the Osaka Prefectural Government. It is the outcome of a field survey of small export industries, all employing less than two hundred workers, and provides the basic data for the general survey.

The most notable feature of this interesting report is the fact that it gives in detail the conditions of small factories throughout Japan, engaging in some three dozen different classifications of business, as actually investigated on the spot.

The Problems of Small Business

The role of small business in export trade is of no little importance, and as will be seen from Table 1, some 52 percent of the total volume was directly supplied by the smaller enterprises in 1954.

One characteristic common to the products of the smaller manufacturers is high cost of materials and low price of the finished goods. Another is the diminutive size of each operation, to permit sub-standard wage and working conditions.

The high cost of raw materials and low price of product is due primarily to the fact that the materials are usually supplied by big business, while the price of finished goods is kept low by intensive competition. Moreover, in most cases the market for the products of small enterprise is far from stable, while the manufacturers are isolated in varying degree by big business, trading firms and wholesale merchants from the markets for their products.

This situation applies to small enterprise in general, and in the case of export business there are such additional disadvantages as 1) greater uncertainty of market conditions, and 2) the stop-gap, supplementary handling of small manufacturer items by the trading concerns. Furthermore, in some cases, export sales must be consummated at extremely low prices. These adverse conditions lead, particularly in the sundries field, to excessive competition, and to the selling of cheap, inferior goods.

For the implementation of such economic legislation as the Anti-Monopoly Law, not only is it essential that there be strong support given by the Ministry of International Trade and Industry, and other economic offices and agencies, but the rulings of the FTC must be participated in by more people with an immediate and enlightened knowledge of business activities. Poor implementation can easily ruin the purpose and effectiveness of the law, no matter what the amendments.

1. POSITION OF SMALL BUSINESS PRODUCTS IN EXPORT TRADE, 1954

(In ¥1,000 million and percentages)

	Export Volume					
	Deliveries to Customers (A)	Total (B)	B/A (%)	Small Business Products (C)	C/B (%)	C/B 1955 (%)
Overall	6,117.3	572.6	9.16	297.7	52.7	51.5
Foodstuff	1,117.3	45.7	4.09	37.6	82.1	79.7
Spinning & Weaving Products	1,041.9	202.1	19.04	114.8	56.8	59.1
Clothing, Accessories	88.1	22.8	25.88	20.5	90.1	91.9
Lumber, Wood Products ..	271.5	20.1	7.39	17.2	85.6	85.0
Furniture, Fittings	56.2	1.2	2.20	1.2	96.6	97.6
Paper, Paper Products	247.1	5.1	2.08	2.3	45.1	36.6
Printing, Publishing	210.7	1.1	0.52	0.8	69.4	70.0
Chemicals	652.2	43.5	6.67	10.6	24.5	28.3
Petroleum & Coal Derivatives ..	116.1	0.3	0.29	0.01	3.9	5.4
Rubber Products	85.4	4.2	4.98	1.3	31.6	29.4
Leather, Leather Products ..	34.5	0.8	2.27	0.7	91.3	91.7
Glass and Earth Products ..	222.1	26.9	12.10	14.0	52.0	52.5
Base Metals	784.5	76.4	9.74	7.5	9.9	10.4
Weapons	198.7	14.6	7.35	11.8	76.1	84.1
Machinery	—	1.7	11.80	0.2	51.9	59.2
Electrical Machinery	326.4	36.8	—	19.8	—	—
Export Machinery	271.2	8.6	3.18	5.1	58.6	56.5
Export Machinery, Appliance ..	368.9	26.6	7.21	4.1	15.6	15.5
Therapeutical & Scientific Equipment, Cameras, &c.	56.6	7.3	12.91	4.3	59.2	66.5
Other	100.3	26.6	26.54	24.8	93.0	94.3

Note: "Small Business" refers to enterprises with less than 200 employees, selected from the detailed classified list of the Manufacturing Statistics. The amounts and percentages were computed by comparing the Trade Statistics figures with those of the Industrial Sub-Classifications.

Sources: Trade Statistics, Manufacturing Statistics

To make matters worse, the small enterprises are now at a crossroads because with the steady industrialization of the underdeveloped countries the market for light industry products is becoming increasingly narrow, and the trend now is toward export of high-grade products to such advanced countries as the United States.

At the same time, with exports to the less advanced countries, the relative importance of producer goods must be increased. To keep abreast of this trend, the smaller enterprises, instead of attempting to maintain their present level of export sales, are tending more and more to supplying the manufacturers of heavy items for export with parts, accessories, and subcontracted work. But in order to be able to do this the smaller manufacturers, especially

in the machinery business, must have available the technology and skills comparable to that of the big industrial corporations.

Forms of Existence of Small Export Manufacturers

Small manufacturing is undertaken in myriad ways, and the patterns of existence also vary widely. Nevertheless, when classification of these patterns is attempted, there become discernible three major categories.

The first group consists of those small enterprises existing side-by-side and in competition with big business. The second is made up of small businesses which complement the activities of the large. The third group comprises those small operations, with no direct relationship with big business, that have independent areas of activities of their own.

Before going into an explanation of these groups, the special features of the small export manufacturers will be described. Generally speaking, the small manufacturers engage mainly in production of light industry items; and because of this they are up against fluctuating demand and other hazards such as *a*) low price, *b*) inferior technology, *c*) limited ability to procure materials in large, economical lots, and *d*) shifts in size, pattern, and style preferences. Consequently, it is generally more economical and profitable particularly for the manufacturer of sundries, to undertake production of relatively small quantities at a time with heavy concentration of manual labor rather than to attempt quantity production with heavy investment of capital for equipment.

1. Small Enterprises of the Independent Type

The products of this category of small business are usually of the handi-craft and folk arts variety, and are prone to be affected by the shifts in preferences. The products are such articles as artificial pearls, bamboo curtains, umbrellas, decorated straw matting, hooked rugs, Bangkok hat bodies, celluloid ware, gloves, eyeglass lenses, metal tableware, vacuum flasks, files, toys, antimony ware, and knitted goods. Experience indicates that mass production of these goods does not necessarily pay or result in higher productivity.

2. Small Manufacturers of the Competing Type

Although the economic factors permitting the existence of small enterprises in competition with large companies are far from simple, what is generally found is that 1) the market is small and limited, or 2) the cost differential between the large and the small is appreciable. The products of this group are: bicycles, small tools, enamelware, timepieces, rubber products, pencils, fountain pens, sheet metal ware, miniature lamp bulbs, binoculars, chinaware and pottery, cameras, cotton and rayon staple fabrics.

3. Small Manufacturers of the Co-Existing Type

Typical of this group are the regular suppliers to the big companies, particularly in the machinery business. Since the wage level of the small suppliers or subcontractors is usually lower than that of

the big companies, the practice is to order parts or to subcontract for orders received. This slashes costs and reduces the capital outlay needed for production. Also, the bigger organizations can in this way maintain a steady level of production by chocking off the subcontractors when orders are scarce. Consequently, apart from the engineering and quality aspects, this method of utilizing small operations is advantageous for cost reduction and maintenance of a steady level of production.

In this category of small business are the suppliers to and subcontractors for the shipyards, rolling stock makers, motor vehicle manufacturers, prime movers makers, spinning and weaving machinery manufacturers, and makers of other industrial equipment.

Regional Concentrations of Small Manufacturers, and Wholesale Merchants and Big Business

In most cases the small export manufacturers form regional groups. Big organizations can attempt cost reduction through mass production, all on the strength of their own resources; but the small enterprises can only approximate such "rationalization" of operations by forming special production groups on a locality basis. By such regional organization there is much to be gained in materials procurement, financing, production technology, distribution of products, and transportation. These groupings are not necessarily the result of favorable local conditions; and in most cases they are due to special circumstances or traditional factors. (For example, proximity to trade ports, or former sources of raw materials.)

In prewar days the wielders of power over these regional groups were the wholesale merchants; but the war resulted in a decline of their influence. These wholesale merchants are a Japanese specialty since while the actual producers undertook marginal manufacturing in an isolated and dispersed fashion the wholesale merchants, possessing abundant wealth and managerial ability, provided finance for production, cornered the output, and furnished raw materials to wield enormous power. The Japanese wholesale merchant therefore was of great importance before the war in manufacturing, and particularly in production for export.

During the war, however, there was a sharp curtailment of commercial activities, while the variety of commodities was drastically reduced. Moreover, the merchant class was hard hit by the postwar inflation, and virtually eliminated. But with the removal of economic restrictions from about 1950, and with the restoration of private overseas trade, there took place a revival of the wholesale merchants and the trading companies. The latter, however, were inadequately provided with own capital; so they had to seek the aid of the banks and the big manufacturers, and were thus reduced in status to that of selling agents. Consequently, their interest centered upon the products of the big manufacturers, and the

small export manufacturer was and still is regarded as a stand-by.

In place of the wholesale merchants, the activities of big business in regard to the regional groupings of small manufacturers have been notable. Representative of the increasing influence of the power of big business over the small is the advance made by the cotton mill operators and rayon manufacturers into the weaving districts. Today, one of the biggest problems faced by the cotton manufacturers is overproduction. Another problem is the excessively small difference between the price of fabric and the price of yarn. The latter makes it difficult for the loom operators to work independently, and many have been forced to work under contract for the spinning mills. The bigger weavers, equipped with more than 100 looms are mainly working for the cotton manufacturers, while the smaller operators with from 21 to 100 looms are under contract, mainly, with the trading companies.

The rayon manufacturers, on the other hand, are not directly involved in the manufacture of fabrics. But with increased production of yarn, and for boosting of export of rayon fabrics, they have come to seek closer ties with the weavers with a view to production of better fabrics in a great variety of styles and designs, to be sold abroad under their own brand names.

The influence of the wholesale merchants over the light machinery industry turning out products such as bicycles and sewing machines has receded. This is partly because after the war there was positive action taken to effect standardization and interchangeability of parts, and division of labor in the production of components has become firmly established. Consequently, leadership in this field has been assumed by the finished product manufacturers (assembly works operators), and there have been cases of wholesale merchants becoming assembly manufacturers. With capital accumulation progressing among the ranks of the parts makers, there has taken place considerable improvement of their status.

Wholesale Merchant System and Sundry Goods Manufacturing

The special production system revolving about the wholesale merchants was a feature of small scale manufacturing in prewar Japan, particularly in the export industries. This system functioned satisfactorily for collection of products to meet export requirements in quality and in delivery time, and served to cushion the shocks caused by seasonal and other fluctuations in demand. The role of the wholesale merchants as the controlling power over the regional groupings of manufacturers was accomplished in the following manner:

a. The commercial end of the economic activity was handled by the wholesale houses, permitting the financially weak and segregated marginal manufacturers to concentrate on production.

b. Coordination was effected of the manufacturers specializing in specific processes, with the wholesale merchants acting as the guiding and binding bodies.

c. The wholesale merchants accepted big orders, or in anticipation of such orders kept the manufacturers supplied with work. They thus controlled a large number of small manufacturing operations, collected the products, and undertook distribution.

The functions of these wholesale merchants have in recent years been restored to some extent. But although collection can be effected, there has been no revival of the credit granting and product storage functions that characterized the wholesale merchant of prewar days. Moreover, the encroachments of the trading companies on the regional groupings of small manufacturers have tended to repress or to modify the functions of the local wholesale houses. They have had to choose between becoming purely domestic wholesalers or transformed into manufacturing wholesale houses (without possessing plant facilities, and depending entirely on subcontracted work).

Today, the connections between the regional groupings of small manufacturers and the trading concerns are of the forms outlined below.

1. Makers controlled by the manufacturer (export wholesale manufacturer) receiving the original export order—lacquerware, fabric products, artificial flowers, gloves, metal toys, umbrellas.

2. Collection and sale of product undertaken by the manufacturer—eyeglass lenses, artificial pearls, shell buttons, bamboo curtains, vacuum flasks. This form of activity cannot be clearly differentiated from type 1, above, but in this case, the manufacturer acts in some ways as the agent. For instance, in the case of artificial pearls the transactions with the buyer are negotiated by the party making the biggest contribution to production, the finisher. In the case of the eyeglass lenses, it is the lens polisher; with vacuum flasks, the assembly operator, etc.

3. The manufacturer deals directly with the exporter—chinaware and pottery, metal tableware, enamelware, files, celluloid ware, sewing needles, towels (through yarn dealers in some cases).

4. Transactions effected through cooperatives—Bangkok hat bodies, sewing needles (in part).

5. Manufacturer is at the same time his own supplier—chinaware (finished product maker), bamboo curtains, metal toys, hooked rugs (in part).

In the sundry goods field there are a number of special trading concerns; but the big trading firms are also making headway in this area. In the case of the latter, however, the export of sundries is a side-line because profit margins are of sundries is a side-line because small. This tends to keep the big trading firms from making positive efforts to develop the overseas market for sundry goods.

Technology and Manpower of the Small Manufacturers

It appears possible to mechanize some of the

operations of the small export manufacturers. But generally speaking because of rapid changes in styling, design and sizes, and because preferences shift from time to time, production is undertaken in small variegated lots, with little effort made to mass produce. Furthermore, the market is never steady.

How then is it possible for these manufacturers to stay in business? Low wages, long hours, and the help given by family members are part of the answer. On the other hand, such conditions of production impede the accumulation of the capital necessary for technological advances. And with the art-craft type of product especially, which in essence is a crystalization of manual labor, there must be high dependence on craftsmanship, a combination of skill, experience, and intuition.

The vicious circle, however, is being broken in some sectors. For instance some small fabrics processors have had to modernize their equipment in order to qualify for affiliation with big business through regular service contracts. At the same time it cannot be denied that low wages and long hours have held up technological progress among the small enterprises. This is because hand production with cheap labor is often more profitable than mechanized production after installation of costly equipment. This, moreover, leads to excessive competition, and to the decline in price of the products of small enterprise.

What then is the structure of such cheap labor employed by the small manufacturers? What is the source of supply?

As regards to the pattern, it can be said that with both men and women the proportion of the higher age groups is heavy. This is because 1) the skill and intuition elements of craftsmanship are im-

portant, 2) many married women work in small factories to supplement household income, and 3) small manufacturers often call upon the older members of the family for help.

On the other hand, with those manufacturing activities that require little skill or experience, where the main qualifications are some manual dexterity and patience, the proportion of girl labor is high. Examples of this type of manufacturing are: fabrics wholesalers, hooked rug makers, Bangkok hat body makers, canneries, umbrella stem manufacturing, Etc. With these some 80 percent of the labor comprises women. With artificial pearls and gloves the proportion is higher than 60 percent.

This labor, in rural areas, is furnished by those not in possession of farm land, or by the semi-unemployed living on the farms. In the cities, the small manufacturer workforce includes many that have been laid off by big enterprises by reason of illness, old age, and other causes. Also, the labor that cannot find its way into the ranks of big business employees tends to be absorbed by the small enterprises.

In this way, surplus, and in many ways inferior, labor flows into the already handicapped small manufacturing field. Wages, generally, are lower than with big enterprises. However, in those activities where skill and experience are held dear, the pay is relatively high.

The pay structure differs from category to category—wages may be paid on a monthly or weekly basis, or may be set by the hour or by output. To the base rate are added such incentives as the no-absence allowance or the efficiency allowance (piece-rate); but in general no established standard can be said to exist.

Living Standards Improvement

IN fiscal 1956-57 there took place a 20-percent increase in industrial (mining and manufacturing) production, as against the level of fiscal 1955-56, the outcome of active investment in plant and equipment, stimulated by booming export trade and technological progress. The economic growth rate also greatly exceeded the average of 5 percent postulated by the 5-year plan for economic self-support, and the nominal (not adjusted for changes in monetary values and other factors) increase of the national income over that of the preceding year was about 14 percent, with the real gain at about 10 percent.

In contrast to this phenomenal headway made by Japanese industry the living standards remained relatively stable. Nominal personal income in fiscal 1956-57 went up 11.3 percent, somewhat less than the overall economic growth, but this gain was greater than the 8.2 percent of 1954-55 and the 11.2

percent of 1955-56. However, when the increase in population and the climb of prices are considered, the per-capita disposable income rose only 8.9 percent. At the same time, the spending mood of the people continued to reflect prudence, and because the propensity to save was strong the increase in personal consumer spending stood at 8 percent, with the per capita spending level up by only 5.2 percent.

Below will be discussed the living standards of the nation in fiscal 1956-57 on the basis of the "Living Standard White Paper," recently published by the Economic Planning Board.

Steady Growth of City Dweller Spending

Reflecting the industrial prosperity of fiscal 1956-57 the income of city dwellers increased considerably. According to the household budget survey of the Bureau of Statistics of the Office of the Prime

1. INCOME MOVEMENT IN CITY WORKER'S FAMILY (All City Average)

	1954 A	1955 B	1956 C	B A	C B
Real Income Total (Yen) ..	27,632	31,631	34,731	106.7	109.8
Levies & Taxes (Yen)	3,490	3,482	3,716	99.8	106.7
Disposable Income (Yen) ..	26,142	28,150	31,015	107.7	110.2
Expenditure (Yen)	24,118	25,409	27,480	105.4	108.2
Expenditure Level (Fiscal 1951=100)	134.3	143.5	152.7	106.9	106.4
CPI (Fiscal 1951=100)	119.1	117.5	119.5	98.7	101.7
Taxes Against Disposable Income (%)	13.4	11.0	10.7	82.1	97.1

Source: Economic Planning Board for all the tables.

Notes: 30.4 days for a month; five-member family.

Minister the nominal income increased 9.8 percent over fiscal 1955-56, while real income rose 7.9 percent. Whereas in fiscal 1955-56 the proportion of real income taken up by taxes and levies came to 11 percent, the ratio in fiscal 1956-57 was down to 10.7 percent. And since there were other reductions of burden, there was a 10.3 percent increase in net income. Although toward the end of 1956-57 (ended March 31, 1957) there was some rise in consumer prices, the overall climb of consumer prices during the fiscal year was in the order of only 1.7 percent. Consequently the real income of city dwellers increased 7.9 percent over that of fiscal 1955-56.

Turning to the pattern of consumer spending, it is noted that at the start of fiscal 1956-57 there was a 10-percent increase in spending level as against that of the corresponding period in fiscal 1955-56. But later, due in part to the rise in consumer prices, the average rise in the consumer spending level during the second half of fiscal 1956-57 was 4.4 percent, much less than the 8.3 percent of the first half; and the average for the fiscal year came to 6.4 percent. This rate is comparable to that of fiscal 1955-56. The reasons for no speed-up of the growth of spending despite two successive years of prosperity were: 1) increase in income per household was not proportionate to the prosperity enjoyed by industry; and 2) on top of which the consumer's will to save was stronger than his inclination to spend. The average spending level in fiscal 1956-57 stood at 88.2 percent of income, appreciably lower than the 90.8 percent of 1955-56, and at almost the same level as the 88.3 percent of prewar (1934-36 average). Consequently, the proportion of income directed to savings has also returned to about the prewar level.

2. EXPENDITURE & TAX RATES (%)

Fiscal Year	Expenditure Ag. Disposable Income	Tax Against Real Income
1934-36.....	88.3	—
1951	98.0	9.8
1952	95.6	8.8
1953	94.2	8.5
1954	92.6	8.7
1955	90.8	8.1
1956	88.2	7.7

There is, of course, a difference. In prewar days there was little or no tax on wage-earner's income; but since the war the tax burden has been heavy, and there should be a corresponding reduction in the ability to save. As will be seen in Table 2, there

has been some reduction of the ratio of taxes and levies to gross income, but even with abatement the average burden in fiscal 1956-57 stood at 7.7 percent.

Changes in the Pattern of Consumer Spending

Although the spending level of city dwellers has been rising at a steady rate without notable spurts or lags, there have occurred major changes in the pattern of spending. These changes appear in various necessities and services, but they are mainly due to technological advances and mass-production methods, which have brought about modifications in the conditions of supply and in customer preferences. For instance the supply of television sets in fiscal 1956-57 was double that of 1955-56, while three times as many electric refrigerators were available; and these "luxury" items are finding their way into the average home. Including the farm households, 1 family in 11 owned an electric washing machine, while with cameras, 1 household in 5 possessed a camera of later than 1951 manufacture. Mass production methods, meeting the consumer demand for modernization, are steadily standardizing the specifications of household items, and are contributing toward uniformity in the mode of living.

According to the household budget survey of fiscal 1956-57, the spending levels for the various items of expenditure indicated the following changes: as against fiscal 1955-56 dwelling expenses went up 15.6 percent to constitute the most notable advance; next came clothing, up 9.7 percent; while the items with the least increase were food, at 1.6 percent, and light and heat, at 2.8 percent.

As for the pattern of household spending, the above-mentioned changes were reflected by, for instance, the ratio of dwelling costs to total at 7 percent, as against the 5.8 percent of 1955-56. Likewise, there was an increase in the ratios of clothing expenses and sundries, which are generally indicative of higher living standards. With city dwellers, the proportion of the budget taken up by food, the Engel's coefficient, declined notably from the 48.7 percent of fiscal 1955-56 to 46.5 percent. A similar drop was seen in the case of wage-earner households, with the fiscal 1956-57 figure at 42.9 percent, as against the 44.5 percent of 1955-56. As against the prewar (1934-36) ratio of 35.8 percent, the present level may appear excessively high. But the prewar household budget figures covered only families living in rented quarters, with rental taking up an average 13 percent of the total spending. In the present survey nearly 70 percent of the families surveyed own their own homes, so the expenditures for dwelling are of far smaller proportions. When rental is excluded, the Engel's coefficient of prewar days (1934-36 average) comes out at 41.3 percent, which is not very much lower than the 44.1 percent of 1956.

As can be gathered from the foregoing, the consumer demand for household items has gradually changed with the rise of income and spending levels. When the flexibility coefficient of items of expendi-

ture is computed, while the figures for clothes, dwelling, miscellaneous, etc. are more than 1, the figure for food is the smallest, at 0.43. In other words, even with an increase of 10 percent in income, the spending on food goes up only 4.3 percent. At war's end when food was extremely scarce the flexibility coefficient of food was as high as 0.829, so the present level of 0.43 shows how much the food situation has improved. It is to be noted, however, that before the war, the coefficient for staple food (rice) was actually negative: with increase in income, the amount spent, proportionately, on rice tended to decline. Since the war, the coefficient for staples has been positive; and even in fiscal 1956-57 when the rice crop was good the coefficient for home-grown rice was 0.17, indicating that there still exists a strong potential demand for this commodity.

Farm Household Spending Level at Standstill

Farm income in fiscal 1956-57, at least in the form of cash, declined 1 percent, as compared to fiscal 1955-56, despite the bumper crop of rice, the main source of farm income. This was because, as against the 1955 rice crop (an all-time record), there was a drop of some 10 million *Koku* (*Koku*=4.96 bushels), although fruit crops were good and income from livestock and dairy products increased.

Non-farm income in the form of lumber sales by farmers was 35.5 percent higher than in fiscal 1955-56, due to the high demand for lumber and pulp, for construction and paper-making. But wage earnings which make up a major portion of non-farm income did not increase appreciably. This was unexpected, and as a result the total non-farm income, shown in Table 4, went up only 5.1 percent over the 1955-56 level. With both farm and non-farm incomes combined, the overall farm income in fiscal 1956-57 stood at only 1.5 percent higher than in 1955-56.

Reflecting this situation the consumer spending

level of farm households has been extremely sluggish in rising since 1954. Immediately after the surrender the food shortage made farm prices relatively advantageous, and farm income increased notably. In consequence, farm consumer spending rose rapidly and in fiscal 1951-52 and 1952-53 the farm and urban living standards were about equal. But the farm spending level uptrend started to level off after the 11.8-per cent rise of fiscal 1952-53, and the rate of gain in fiscal 1953-54 declined to 4.6 percent, and further to 0.5 percent in 1954-55. In fiscal 1955-56, although farm income increased 10 percent as a result of the unprecedented rice crop, the bulk of this gain was carried over into the following year, and the rise of spending was only 2.1 percent. In fiscal 1956-57, despite two successive years of good crops, the increase in farm consumer spending was only 1.9 percent.

As against the slow rise of the farm spending level, city consumer spending continued to gain at more than 6 percent each year, with income increasing by about 10 percent annually excepting fiscal 1954-55. In consequence the gap between urban and rural living standards again began to appear and widen.

Although generally speaking the farm living standard uptrend is along an extremely gentle slope, the level, as against prewar, is notably high; and farm spending on education, for instance, is heavy, resulting in a rapid rise of the farm education level. According to the economic survey of farm households, the farm household pattern shows a quadrupling of the university students coming from farm families during the five years ended with fiscal 1955-56. Whereas in fiscal 1951-52 the average farm household spent 2.04 percent of its budget on education, the ratio in fiscal 1956-57 was 3.03 percent.

Looking into the items of farm consumer spend-

3. CHANGE IN CITY FAMILY EXPENDITURE

(All City Average; in %)

	Total	Foodstuff	Of which		Clothings	Light & Fuels	Housing	Others
			Staple Food	Others				
1934-36	100.0	35.8	13.7	22.1	11.5	4.9	16.6	31.0
1947	100.0	63.0	23.9	39.1	10.3	4.5	4.3	17.9
1951	100.0	54.4	20.2	34.1	13.6	5.2	4.5	22.3
1952	100.0	51.2	19.2	32.0	14.5	5.5	4.8	24.0
1953	100.0	50.5	18.6	31.9	13.5	5.6	5.3	25.1
1954	100.0	50.9	18.6	32.3	12.0	5.5	5.3	26.3
1955	100.0	48.7	17.4	31.3	12.0	5.3	5.8	28.2
1956	100.0	46.5	15.5	31.0	12.6	5.1	7.0	28.8

4. INCOME & EXPENDITURE IN A FARMER'S FAMILY

(All Prefecture Average)

	1954 A	1955 B	1956 C	B A	C A	C B
Income from Farm Activities.....	293,669	331,990	339,167	113.0	105.5	102.0
Spending for Farm Activities.....	70,545	74,180	81,851	105.0	116.0	110.3
Real Farm Income.....	223,124	257,810	257,316	115.5	115.3	99.8
Income from Non-Farm Activities.....	133,361	131,414	138,086	98.5	103.5	105.1
Spending for Non-Farm Activities.....	7,170	7,038	7,402	98.2	103.2	105.2
Real Non-Farm Income	126,191	124,376	130,684	98.6	103.6	105.1
Total Farm Family Income.....	349,315	382,186	388,000	109.4	111.1	101.5
Debts & Interests	1,458	1,672	1,823	114.7	125.0	109.0
Levies & Taxes	25,071	28,571	29,748	114.0	118.7	104.1
Household Expenditure.....	281,974	292,904	300,823	103.9	106.7	102.7
Balance.....	40,812	59,039	55,606	144.7	136.2	94.2

5. NO. OF FARM FAMILY MEMBERS

	1951	1952	1953	1954	1955
Resident Member.....	6.47	6.43	6.37	6.25	6.22
Total Member	6.52	6.49	6.43	6.30	6.27
Permanent Farm Family Member	6.54	6.55	6.48	6.38	6.39
Resident Member.....	6.46	6.42	6.35	6.24	6.21
Non-Resident Member	0.08	0.13	0.13	0.14	0.18
Out Working	0.07	0.10	0.10	0.11	0.14
Out At School.....	0.01	0.03	0.03	0.03	0.04

ing, it is found that in fiscal 1956-57 there was 7.2 percent more spent on non-staple foods (viands accompanying rice); while dwelling costs also increased 3.2 percent. Other items, such as health and hygiene, social outlays, light and heat, showed little or no increase over the levels of fiscal 1955-56. Clothing outlays, which indicated spectacular jumps in fiscal 1952-53 and 1953-54, have since remained at a steady level, and in fiscal 1956-57 there was a slight drop. Also, although the farm diet is being improved, it is still far from adequate. According to the economic survey of fiscal 1955-56 the per-capita spending for fish, meat, and eggs, &c. came to only ¥5.32 per day, and per-capita intake, including household-produced meat and eggs, averaged only ¥7.74-worth. This level is only 58 percent that of the urban consumer.

Nevertheless there are certain segments of the farm population which have gone into purchases of such things as radios, electric washing machines, electric phonographs, motor scooters, and the like. Farms acquiring such modern conveniences, generally speaking, are those headed by young men of less than 40, those with non-farm income, or those engaging in such lucrative activities as fruit-growing, high-grade vegetables, and dairy-farming; and these households earn at least ¥500,000 per annum in cash.

Economic Growth and Consumer Spending

The force behind the economic growth of fiscal 1956-57 was the phenomenal spurt in investment activities. Including investments made by the State, the total investment in the domestic area came to ¥2,970,000 million, 40 percent more than in fiscal 1955-56, and 32 percent of the gross national spending. This constitutes an all-time record. In the field of private investment, total amount outlayed in fiscal 1956-57 came to 160 percent that of 1955-56. Behind this jump in investment was the growth of gross national product, up 14 percent nominally, and 10 percent after adjustments.

Personal income, on the other hand, lagged behind gross national product in nominal growth, but because consumer prices did not go up inordinately, personal income made a real gain of 9.6 percent over fiscal 1955-56 closely approximating the growth rate of gross national product. But this too is not as much as the 11.3 percent headway made in fiscal 1955-56.

As for consumer spending, the real gain in level realized in fiscal 1956-57 was 6.5 percent, slightly lower than the 6.9 percent of fiscal 1955-56. The rate, as against the growth of gross national product, is low; and in consequence the ratio of consumer spending to total spending in fiscal 1956-57 was 58.1 percent (Cf. Table 6). The only other instance of the proportion coming below 60 percent was in the Korean War boom year of 1951-52, and the level is notably low as compared with that of other nations.

Nevertheless, because of the size of consumer spending in relation to gross national spending there was in fiscal 1956-57 an increase over the preceding year of about ¥400,000 million in purchasing power. This is one major cause of the surge in import purchases.

6. PERCENTAGES OF CONSUMER SPENDING & PRIVATE CAPITAL FORMATION (%)

	Consumer Spending	Private Capital Formation
1951.....	55.3	23.1
1952.....	59.9	19.8
1953.....	61.2	19.0
1954.....	63.1	15.7
1955.....	61.2	17.1
1956.....	58.1	24.1

What then is the outlook in regard to consumer spending? It is recognized that the Japanese economy in fiscal 1956-57 grew at a somewhat excessive rate to cause over-importation and a sudden worsening of the balance of international payments. To remedy the situation a policy of disinflation was implemented from early fiscal 1957-58, and the effects of the curbs on credit are beginning to be widely felt, with increase in unemployment and delays or shortages in wage payments. Consumer spending, however, is not easily affected by transient fluctuations in business activity; so even though a tight-money policy is enforced for betterment of the payments position, and the growth rate of the economy is curbed to some extent, it is unlikely that the growth of consumer spending will suddenly stop or slow down for some time to come.

Japanese National Railways

THE State railways of Japan provide the main arteries of the nation's overland transportation system. With 20,186 kilometers of lines, ¥2,112,300 million-worth of fixed assets, and 442,573 employees, JNR is by far the biggest single enterprise in Japan. What then is the weight of the system's role in Japan's transportation?

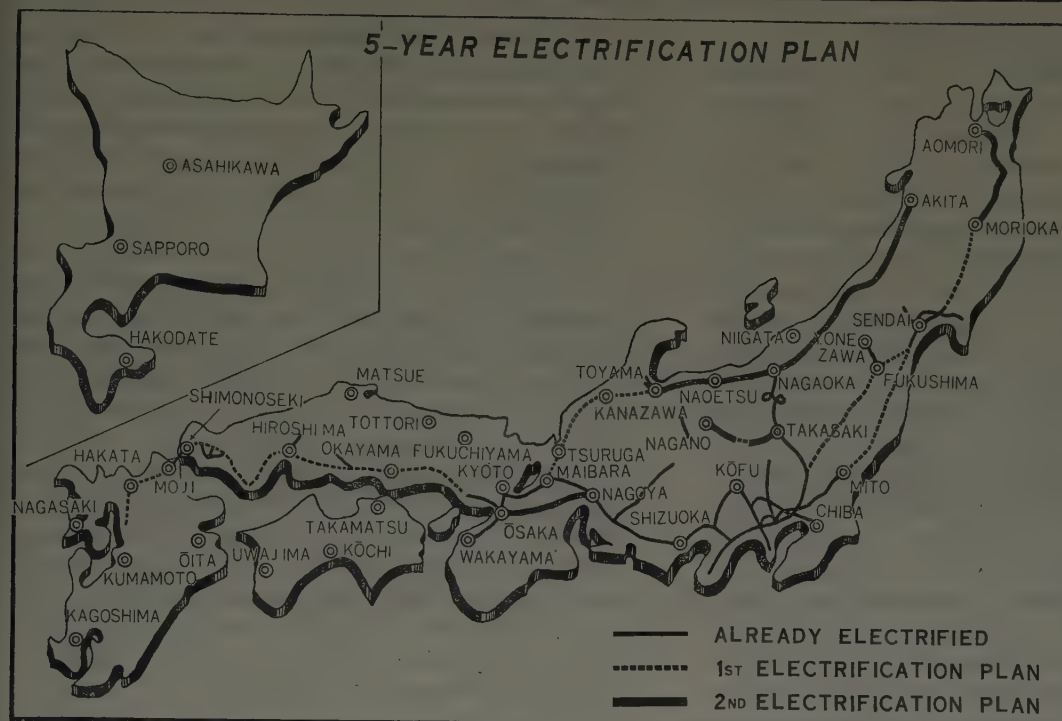
The number of passengers carried by all railways, trolley lines, and buses during fiscal 1956-57 (ended March 31, 1957) came to 114,400 million persons; and

1. LOCAL PASSENGER TRANSPORTATION
(Fiscal 1956)

	Passengers Carried (In million)	%	Passenger Kilometers (In 100 million)	%
Total	14,426	100.0	1,689	100.0
National Railways.....	4,119	28.6	981	58.1
Private Railways	2,891	20.0	284	16.8
Tramways	3,290	22.8	186	11.0
Buses	4,126	28.6	235	14.1
Airplanes (In 1,000)	478	—	3	—

Source: Economic Planning Board.

Notes: Passenger Kilometer=Passengers Carried×Transportation Kilometers.



due to the Railway Construction Law of 1892 and to the Railway Nationalization Law of 1906, which placed some 90 per cent of all railway operations under the direct control of the State.

Two years after the opening of the Shinbashi-Yokohama line, the cities of Osaka and Kobe were connected by rail, while in 1889 the Tokaido Line (Tokyo-Kobe) was completed. The principal main lines, such as the Sanyo Line and the Tohoku

when the distances traveled are considered the haulage totaled 168,900 passenger-kilometers. JNR carried 28.6 per cent of all these passengers, to achieve 58.1 percent of the total passenger-kilometerage.

As for freight, the total domestic haulage by rail, highway, and coastal shipping in fiscal 1956-57 was 895 million metric tons, or 90,300,000 ton-kilometers. Of this amount JNR handled 19.3 percent of the tonnage and 51.9 percent of the ton-kilometerage. The freight hauled by JNR, besides comprising such important supplies as coal, lumber, and rice, covers practically every conceivable type of commodity. Because of the distances involved, the total tonnage is relatively low as compared to the ton-kilometerage. Much of the tonnage is hauled by truck; but this must be considered to be of two categories, cooperative when motor vehicles are used in conjunction with long-distance rail or waterway transportation, and competitive when trucks alone are used.

2. LOCAL FREIGHT TRANSPORTATION

(In Fiscal 1956)

	Transportation Tons (In 1,000)	%	Freight Kilometers (In 100 million)	%
Total	895,748	100.0	903	100.0
National Railways	172,892	19.3	469	51.9
Trucks	617,339	68.9	86	9.5
Home Water Shippings ..	28,770	3.2	276	30.6
Sailing Vessels	40,121	4.5	64	7.1
Private Railways	36,626	4.1	8	0.9

Source: Economic Planning Board.

Notes: Freight Kilometers=Freight Carried×Transportation Kilometers

History of the JNR

The first railway line in Japan was opened on October 14, 1872, between Shinbashi in Tokyo and Yokohama. This was about half a century after the inauguration of the world's first steam railway between Stockton and Darlington in England. The subsequent growth of the rail system in Japan was

Line were completed during the Meiji Era (ended 1911), while up to 1941, the year marking Japan's entry in World War II, the growth of the Japanese Government Railways was steady, with the system contributing considerable revenue to the Treasury. In 1936, just prior to the outbreak of fighting between Japan and China the total kilometerage in operation came to 17,530 kilometers, with 4,053 steam locomotives, 169 electric locomotives, 9,361 passenger coaches, 1,553 electric coaches, 266 Diesel coaches, and 73,184 freight cars. The workforce then stood at 227,648.

3. GROWTH OF NATIONAL RAILWAYS KILOMETERAGE (In kilometers)

1872	29.0	1930	14,574.9
1882	184.7	1936	17,530.1
1892	885.9	1940	18,400.0
1902	1,709.7	1945	19,619.8
1912	8,394.2	1950	19,786.4
1921	10,818.6	1956	20,186.4

Wartime Damage and Losses

The war years saw enormous damage inflicted upon the national railway system. Direct enemy action resulted in the destruction of 19 percent of its buildings, 14 percent of its locomotives, 19 percent of its passenger coaches, 26 percent of its electric coaches, 8 percent of its freight cars, and 80 percent of its sea-going ferries. The estimated value of these losses is some ¥250,000 million (in 1954 prices and values).

In addition to these direct losses sustained in the form of destroyed and damaged buildings, trackage, and rolling stock were the adverse effects of wartime operation, caused by general overloading of capacity without adequate maintenance and replacement, and inability, after the war, to undertake proper reconstruction. In consequence, for several years subsequent to the surrender in 1945, rail transportation was in a chaotic condition.

Inauguration of the JNR

With the promulgation, in 1948, of the Japanese National Railways Law, the railway system was separated, from June 1, 1949, from the Ministry of Transportation; and as against the old method of operating the State railways under a special budget account, a reorganization was undertaken to form an independent State enterprise in the form of a government corporation. The choice of such an organizational form was made to permit efficient operation of a system designed essentially for public service.

Today, the JNR is a corporation established under the laws of Japan, which is required to submit its annual budget for Diet approval, and is headed by a president appointed by the Government (Cabinet). It is under the supervision of the Ministry of Transportation.

The first president of JNR was Sadanori Shimoyama (office-taking, June 1, 1949), while the second was Yukio Kagayama (September 24, 1949). Third came Sonosuke Nagasaki (August 25, 1951), and the current president Shinji Sogo (May 20, 1955) is the fourth in line.

Present Status of the JNR

As of March 31, 1957, JNR had 20,186 kilometers of lines in operation, which means 77 percent of all railways in Japan. It now has 4,804 steam locomotives, 583 electric locomotives, 12,056 passenger coaches, 3,256 electric coaches, and 107,157 freight cars.

Haulage during the 1956-7 fiscal year was as shown in Tables 1 and 2, passengers totalling 4,119 million and freight tonnage running to some 172 million tons.

The figures of other countries are given below for comparison. The data are for 1955, as given by the Union Internationale des Chemins de Fer (U.I.C.). In passenger capacity, France had 16,946 passenger coaches (of which 210 were for narrow-gauge track); United Kingdom, 41,715; West Germany, 25,169 (of which 204 were for narrow-gauge). As against these figures, Japan could show only 13,516 (all narrow-gauge). Yet in the same year, the passenger-kilometerage achieved in these countries was: France, 27,700 million; West Germany, 38,300 million; and United Kingdom, 32,600 million. In the case of Japan the figure was incomparably higher at 91,300 million. This is approximately equal to the traffic of France, Britain and West Germany all put together. But in coach capacity there was available but one-sixth of the 83,830 units used by the three European nations.

In freight haulage (figures also for 1955), West Germany had 248,585 freight cars; France, 339,230 (of which 1,130 were for narrow-gauge); and the United Kingdom, 41,715; West Germany, 25,169 (of which 204 were for narrow-gauge). As against these figures, Japan could show only 13,516 (all narrow-gauge). Yet in the same year, the passenger-kilometerage achieved in these countries was: France,

27,700 million; West Germany, 38,300 million; and United Kingdom, 32,600 million. In the case of Japan the figure was incomparably higher at 91,300 million. This is approximately equal to the traffic of France, Britain and West Germany all put together. But in coach capacity there was available but one-sixth of the 83,830 units used by the three European nations.

In freight haulage (figures also for 1955), West Germany had 248,585 freight cars; France, 339,230 (of which 1,130 were for narrow-gauge); and the United Kingdom had 1,109,935. In comparison to this abundance, Japan could boast only 104,309 (all narrow-gauge, low loading capacity). But in ton-kilometerage Japan stood at 42,500 million as against Britain's 34,900 million. In other words, JNR handled 120 percent of Britain's freight traffic level with only one-tenth of her freight capacity. As for double-tracking of the lines in operation, the figures were: United Kingdom, 64 percent of the total; France, 42 percent; West Germany, 41 percent; and Japan, only 13 percent.

Problems Facing the JNR

Of the problems confronting JNR, the biggest is how to cope with the greatly increased traffic of the postwar era. There has, it is true, been an increase in rolling stock; but the enormous surge in traffic resulting from the industrial prosperity of recent years has far outrun the expansion of rail facilities. Needless to say, the major cause of this inadequacy is the war, with its destruction, damage, excessive wear and tear, and depletion of funds for subsequent reconstruction and expansion.

In passenger traffic, the prewar normal (1936) stood at total of 1,059 million persons and 26,200 million passenger-kilometers. Today these levels are respectively 3.89-fold at 4,119 million persons, and 3.74-fold at 98,100 million passenger-kilometers. To cope with this growth in volume, passenger coaches were increased 25 percent from the 9,640 units of fiscal 1936-37 to 12,056 units in fiscal 1956-57; while electric coaches were increased 110 percent from 1,553 units to 3,256 units. The overall increase in haulage capacity therefore comes to 38 percent, with the 11,193-unit level of fiscal 1936-37 upped to 15,312 units. This is far from adequate, particularly in view of the fact that commuter traffic in Tokyo and Osaka has grown to such an extent that despite a doubling of capacity the rush-hour traffic comes to more than three times the rated capacity. This is resultant in super-overcrowding of coaches and stations.

With freight, the volume has increased 1.77-fold from the 98 million tons of fiscal 1936-37 to the 172 million tons of fiscal 1956-57. In ton-kilometerage the increase is 2.88-fold, from 16,300 million to 46,900 million. To meet this surge, the increase in freight cars has been only 46 percent, with 107,157 units available in fiscal 1956-57 as against the 73,184 units of fiscal 1936-37. Not only has there been this increase in volume, but the pattern of freight traffic has undergone considerable change with, for instance,

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electric coaches (¥3,800 million), 130 electric locomotives (¥7,800 million), and 24,000 freight cars (¥38,400 million).

3) *Branch Line Traffic Measures* (¥36,200 million). Increase frequency of passenger train trips on branch lines, and extend Dieselization for improvement of service: Diesel coaches (2,340 units at ¥32,900 million); additional facilities (¥3,300 million).

4) *Commuter Traffic Measures* (¥42,300 million). Combat congestion on commuter lines in Tokyo, Osaka, and other urban centers: 1,180 new electric coaches (¥19,800 million); additional facilities (¥22,500 million).

When the rolling stock phase of the above planning is tabulated, the result is as shown in Table 5. Under the 5-year plan, the first stage of the main line electrification program will be carried out; and if construction costs under the 5-year plan can be reduced, the surpluses will be used for updating the electrification and rolling stock construction programs. (See Table 6.)

5. LOCOMOTIVE & CAR IMPROVEMENT IN THE FIVE YEAR PLAN

	New Cars	Replacements
Electric Locomotives.....	795	147
Diesel Locomotives	620	0
Passenger Coaches	850	605
Diesel Cars	2,340	67
Electric Cars	2,360	590
Freight Cars	24,000	13,000

6. ARTERY LINE ELECTRIFICATION PLAN

Name of Line	1st Plan		2nd Plan	
	From-To	Km	From-To	Km
Tohoku....	Omiya-Morioka	505.4	Morioka-Aomori	204.7
Joban....	Toride-Iwanuma	305.7	—	—
Hokuriku ..	Maibara-Toyama	243.6	Toyama-Naoetsu	120.2
Sanyo	Nishiakashi-Hariu	502.8	—	—
Kagoshima	Mojiko-Tosu	108.3	—	—
Ou	—	—	Akita-Aomori	185.8
Uetsu	—	—	Niitsu-Akita	271.7
Shinetsu ..	—	—	Takasaki-Niigata	314.7
Shin'ei	—	—	Shiojiri-Shin'ei	67.9
Chuo	—	—	Kofu-Nagoya	278.8
Kansai	—	—	Nagoya-Minatomachi	175.1

Effects of the Five-Year Plan

During the first half of the five-year plan, emphasis will be put on easing of the freight capacity shortage and on maintenance of safety in all operations. The second half will be devoted to basic expansion of haulage capacity, with construction of new lines and expansion of marshalling yards, &c. What then will be the results of this big undertaking?

Together with the replacement or renovation of obsolescent or super-annuated facilities and equipment, JNR upon completion of the five-year plan will, as compared to fiscal 1956-57, have increased passenger-carrying capacity by 36 percent, and freight capacity by 34 percent. This, in addition to taking care of the annual increase in passenger and freight traffic should result in considerable easing of the congestion through higher frequency of trips and smooth flow of freight traffic. At the same time, the changeover to electricity and oil should reduce fuel costs appreciably.

Passenger train trips should be increased from 30 to 50 percent by more expresses and semi-expresses on the main lines, and the changeover to electric coach on the branch lines. Dieselization of the branch lines should result in a doubling of the present frequency of runs. In reduction of crowding, it is ex-

pected that the completion of the plan will bring about abatement, by from 20 to 30 percent, of the over-congestion on the electric coach lines in the Tokyo and Osaka areas. On long-distance trains, passengers will in general be assured availability of seats.

In freight service, increase of rolling stock and improvement of dispatching methods should result in the prompt meeting of from 80 to 90 percent of the requests for freight cars, as against the 60-percent level now generally accepted as normal. Increase in trackage, expansion of marshalling facilities, and other improvements will greatly enhance freight handling capacity, and reduce delivery time. There will also be considerable upping of efficiency through mechanization of loading and unloading facilities and increase in freight loading berths.

As for savings in fuel and power costs, it is expected that on completion of the five-year plan there will be a total reduction of ¥10,000 million or so per annum, ¥3,600 million through Dieselization, and ¥6,400 million through electrification.

The five-year plan calls for the use of 721,000 tons of rail, and 1,444,000 tons of other forms of steel, a total of 2,165,000 tons. In addition to the five-year plan for basic improvements, JNR has in readiness for future implementation such plans as 1) the laying of an additional standard gauge (4 feet 8½ inch) double-track between Tokyo and Osaka as a means of effecting basic improvement of haulage capacity (JNR track now uses the 3 feet 6 inch narrow gauge); the boring of submarine tunnels between Hokkaido and Aomori, and Kobe and Awajishima, and the building of a bridge joining Awajishima and Shikoku (this project would provide direct rail linkages between all four islands of Japan); and electrification of half of the present 20,000 kilometers of trackage, with Dieselization of the remainder, to dispense with coal as the principal fuel.

JNR Operation of Ships and Motor Vehicles

In addition to rail service proper, JNR operates ferry services connecting Honshu with Kyushu, Shikoku, and Hokkaido (6 lines), and a number of bus and truck lines. As of March 31, 1957, JNR owned 27 ferry-boats totaling 60,638 tons, and 38 auxiliary vessels aggregating 13,381 tons. The most important ferry services are between Aomori and Hakodate (Honshu-Hokkaido), and Uno and Takamatsu (Honshu-Shikoku). JNR vessels in fiscal 1956-57 carried 10 million passengers and 5.8 million tons of freight.

JNR-operated buses and trucks are in regular service throughout Japan with the exception of Saitama, Kanagawa and Yamanashi Prefectures. As of March 31, 1957 there were 11,039 kilometers of JNR bus lines in operation, while regular truck service covered 6,922 kilometers. Combined, the bus and truck lines totaled 12,677 kilometers (there is overlapping). Equipment comprises 1,750 buses and 706 trucks, with 180 million passengers carried and 510 million tons of freight hauled in fiscal 1956-57. It is interesting to note that whereas JNR bus passenger volume has been increasing yearly, freight volume handled by JNR truck is on the decline.

Industry

Tourist Industry

Beauties, Relics and Industry Worth Seeing

WITH a view to introducing abroad scenic beauty, folklore and culture indigenous to Japan, increasing to the greatest possible extent the foreign currency revenue by inviting as many travellers as possible from abroad and, finally, promoting the relations of mutual friendship and understanding with all the nations in the world, the Japanese Government and tourist organizations have been combining their efforts for development of the international tourist industry since the end of World War II. On the Japanese archipelago there are a large number of beautiful mountains, lakes and bays. And travellers can enjoy hot-springs almost everywhere in the whole country and the warm comfortable climate throughout the year except summer and winter. Besides, they will be charmed by Japanese cuisine (Sukiyaki, etc.), theatricals (Kabuki, Noh, etc.), Cha-no-yu, flower arrangement, gardening, Ukiyoe woodprints and what not, all of which now are widely known abroad, particularly in the United States.

It is to be noted that ancient relics of Asian culture have been well conserved and protected in Japan. They are, for instance, ancient arts of Indian and Chinese Buddhism, old porcelain from China and Korea, Chinese pictures and calligraphies, and bronze ware from the Asian continent. In this respect, Japan is a Mecca for those travellers much interested in Asian culture, because the Bamboo Curtain is dropped before the doors of China.

Moreover, Japanese industry will be worth seeing for foreign visitors, especially from the Asian countries. With farmers still accounting for nearly 40% of her population, Japan may be regarded as one of the agrarian nations in Asia, but she has succeeded in promoting her industrial productivity to the international standard through energetic introduction of Western know-how and equipment, though cottage industry still predominate in many lines. Seeing is believing. We hope Asian travellers will learn a lot from our development efforts and industrial projects. In this light, the Ministry of Transportation, the Tokyo Metropolitan Government, the chambers of commerce and industry, the Japan Travel Bureau and other services are studying in earnest the best ways for promotion of technical tourism—publicity about the export industries and inspection trips of major plants and facilities well combined with sight-seeing places. This sort of tourist business is intended not only for a greater foreign fund influx but also for bigger commodity exports and closer trade relations with the countries concerned.

But authorities concerned have thus far been little interested in the domestic tourist industry, leaving

it entirely in the hands of private travel agencies and services. In fact, however, travel for sight-seeing and recreation has recently come into great vogue among the general public, especially among school boys and girls. So much so indeed that it has become absolutely necessary to "adjust" the domestic tourist industry from the viewpoint of social policy and welfare. Furthermore, new projects along this line will greatly contribute to the development of local economy and culture and to the relief of the unemployed in local districts, and such adjustment of the domestic tourist industry will help promote the international tourist industry, for both divisions are inseparably connected with each other in every respect. Thus, the Government in 1956 mapped out a five-year plan for development of the tourist industry to be carried out from 1957 through 1961.

Foreign Tourist Breaking Prewar Record

Since foreign buyers in August, 1947, were first allowed to visit Occupied Japan after the war's end, an increasing number of foreign tourists have been coming to this country. In 1955, more than 100,000 foreigners (excluding passengers disembarking from ships and airliners with their layover not exceeding 72 hours at a port of call and the area adjacent to it) visited here, and the number reached 113,473, inclusive of 69,652 visitors staying here for days (see Table 1). The prewar record was 1936's 42,500 foreign visitors (sojourning for days), who spent \$31 million during their stay or again the prewar record for revenues from the international tourist industry. As shown in Table 1, the number of foreign visitors topped the prewar peak as early as in 1954.

1. FOREIGN VISITORS BY YEAR (in 1,000)

	Staying for Days	Disembarking from Carriers with Layover of Less than 72 Hours	Total
1916.....	20	—	20
1921.....	25	—	25
1926.....	25	—	25
1931.....	27	—	27
1936.....	43	—	43
1947.....	1	0	1
1948.....	2	5	6
1949.....	8	7	15
1950.....	11	11	22
1951.....	20	36	56
1952.....	36	36	72
1953.....	41	35	75
1954.....	48	39	87
1955.....	59	44	103
1956.....	70	44	114

Source: Ministry of Transportation. Figures in other tables are also quoted from the same source, if otherwise specified.

It is interesting to see that visitors for sight-seeing have been increasing year after year as shown in Table 2 (excluding permanent residents, the UN Forces and American Security Force personnel and their families, and ship and aircraft crews). In 1956, such visitors reached 34,989, or up 43% from a year ago and up 136% from 1953. It is also to be noted that the duration of their stay have been increasing

tangibly. The number of visitors classified as "Others" were also up 12% from 1955. On the other hand, business travellers were off 17%, this being ascribed partly to the fact that Japanese trading concerns had successfully expanded their overseas agencies and services. Travellers disembarking from commercial air and surface carriers, too, decreased by 2%.

2. FOREIGN VISITORS BY PURPOSE AND THEIR ESTIMATED SPENDINGS

(Number of Visitors and \$1,000 for spendings)

	Grand Total	Visitors Staying for Days				Travelers Disembarking from Carriers
		Sight-seeing	Business	Others	Total	
1953 Visitors ..	75,435	14,827	11,633	14,332	20,762	34,673
Spending..	32,988	6,095	11,458	14,825	32,378	610
1954 Visitors ..	87,055	18,504	13,159	16,633	48,296	38,759
Spending..	38,488	7,661	12,916	17,205	37,782	704
1955 Visitors ..	103,121	24,478	12,556	21,529	58,563	44,558
Spending..	45,219	11,520	14,314	18,837	44,671	548
1956 Visitors ..	113,473	34,989	10,463	24,200	69,652	43,821
Percentage	100.0	—	—	—	61.4	38.6
"	—	53.2	15.0	34.8	100.0	—

Note: Those who came here for permanent residence, the UN Forces and American Security Force personnel and their families, and ship and aircraft crews are excluded from this table. As for disembarking travellers, those who landed at two or more ports of call are counted as so many travellers.

Compared with the prewar pattern of classification by nationality, postwar pattern clearly indicates the kaleidoscopic change in Japan's diplomatic position in the international society. Two decades ago or in 1936, for instance, 11,000 visitors, or 27% of the total, came from China geographically adjacent to and closely connected with this country in every respect in those days, whereas 9,600 travellers, or 23%, came across the Pacific from the United States. Since the war's end, however, almost no visitors have come here from the Chinese mainland because diplomatic relations have not yet been normalized and trade has been under various restrictions. This is strikingly contrasted to the considerable increase of American visitors.

Another noteworthy postwar feature is the substantial gain of air-borne tourists, while on the other hand prewar visitors came mostly by surface craft. In 1955, 56,000 travellers visited here by air and 47,000 by ship, the ratio standing at 55 to 45.

3. FOREIGN VISITORS BY NATIONALITY IN 1956

	Number of Visitors	Percentage
United States.....	51,635	45.5
China (Taiwan)	13,011	11.5
England	12,447	11.0
Philippines	7,471	6.6
Canada	2,711	2.4
India	2,161	1.9
Germany.....	1,895	1.7
France.....	1,726	1.5
Australia	1,458	1.3
Greece.....	1,367	1.2
Japanese Abroad	1,304	1.1
Thailand	1,160	1.0
Total (including others).....	113,473	100.0

Foreign Visitors' Spendings Up

Abreast with their numerical increase, foreign visitors have been spending more and more in the past few years. In 1953, the prewar record in 1936 was broken, and spendings in 1956 were estimated to have totalled \$55 million (see Table 4). But the figure represented not more than 2.2% of the total

commodity exports at ¥2,495 million, or nearly one half the prewar percentage (4%) during 1931-36.

Let us go into details of 1955 foreign visitors' spendings to see what sort of tourists spent most and for what purposes. As shown in Table 2, disembarking tourists comprised 43% of the total number in 1955, but their spendings represented only 1% of the total spendings, probably because they stayed here only for less than 72 hours. Excluding these disembarking passengers, spendings per capita stood at \$763. Per capita spendings were far bigger for business travellers than for others, and this was attributed to their long sojourn.

According to a survey conducted by the Japan International Tourist Association on American visitors, foods and drinks comprised 29% of their total spendings, traffic fares 21%, hotel charges 20%, souvenirs 18%, theatricals and amusements 7% and others 5%.

4. FOREIGN VISITORS' SPENDINGS COMPARED WITH COMMODITY EXPORTS

(In \$1,000,000)

	Visitors' Spending (A)	Commodity Exports (B)	A/B, %
1916.....	14	562	2.5
1921.....	18	611	3.0
1926.....	22	959	2.3
1931.....	21	515	4.1
1936.....	31	781	4.0
1947.....	1	174	0.4
1948.....	3	258	1.3
1949.....	8	510	1.5
1950.....	10	820	1.2
1951.....	15	1,355	1.1
1952.....	28	1,273	2.2
1953.....	33	1,275	2.6
1954.....	38	1,629	2.4
1955.....	45	2,010	2.3
1956.....	55	2,495	2.2

Note: As for prewar years before 1936, export values in yen quoted from the Finance Ministry's annual statistical reports are converted into the American currency at the annual average of the defunct Yokohama Specie Bank's telegraphic transfer rates. For postwar years after 1947, the same Ministry's official figures in U.S. \$ are quoted.

Tourist Agencies and Services

A central governmental agency in charge of the tourist industry is the Tourist Bureau of the Ministry of Transportation. Besides, the Council for the Tourist Industry, attached to the Cabinet, is authorized to investigate and deliberate basic affairs concerning the industry and thereby to submit recommendations to the Prime Minister as well as to give advices to the administrative authorities concerned.

As a private organization, the Japan Tourist Association offers all sorts of services. It has its overseas agencies at New York, San Francisco and Toronto in North America.

Affiliated as an official member of Japan with the International Union of Official Travel Organizations (IUOTO) is the Tourist Bureau of the Ministry of Transportation. The Japan Travel Bureau and the Japan International Tourist Association join it as patrons. As a regional agent of this international organization, the East Asian Travel Commission was set up in February, 1956, with the Director of the Tourist Bureau of the Japanese Ministry of Transportation as President.

Japanese members of the Pacific Area Travel As-

5. HOTELS AND REGISTERED INNS

	Before War	After War (Sept., 1957)
Number of Hotels	112	91
Accommodations*	9,042	10,658
Number of Registered Inns	—	134
Accommodations*	—	2,213
Hotels Requisitioned	—	2
Accommodations*	—	326
Hotels under Long-term Contract	—	7
Accommodations*	—	978

*In terms of the number of visitors.

Note: Hotels requisitioned and under long-term contract are for the American Security Force personnel.

sociation are the Japan International Tourist Association and 10 other odd organizations. The Japan Travel Bureau and several other agencies are affiliated with the American Society of Travel Agents.

Travel information and services are offered by the Japan Travel Bureau, the Japan Hotel Association and the Japan Guide Association.

Hotels and inns are improving their accommodations and services under the International Tourist Hotel Adjustment Law of 1949 which provides for various kinds of governmental protection as well as for supervision. Western style hotels now have accommodations for only 18% more visitors than before the war. Even including Japanese style inns registered under the International Tourist Hotel Adjustment Law, the total accommodations now are for not more than 16,171 travellers, or up 79% from the prewar mark. There are, however, two hotels requisitioned by and seven hotels under long-term contract with the American Security Force, with their total accommodations for 1,304 persons (see Table 5).

When the tourist season is off, the existing hotels and inns can well accommodate all the visitors from abroad, but they cannot in spring and autumn. So they are trying hard to expand and improve their accommodations.

Operating in 1937 from and to Japanese ports were 113 passenger and passenger-freight boats, but the number of commercial carriers has decreased to one half. In October, 1957, for instance, surface craft plying between Yokohama and San Francisco had accommodations for 26,075 passengers per year, of whom Japanese vessels could carry only 5,203 passengers or 20% (see Table 6).

6. YOKOHAMA-SAN FRANCISCO COMMERCIAL CARRIERS

(Carrying capacity per year as of Oct., 1957)

	Passengers Per Year
US Boats APL (Passenger Boats).....	16,232
Japanese Boats NYK (Passenger Boats).....	1,656
OSK (Emigration Boats)	2,187
Passenger-freight Boats	1,460
Subtotal	5,203
Foreign Boats (Excluding US Craft)	4,540
Total	26,075

Besides, some round-the-world tourist boats call at Japanese ports. They are the Caronia (Cunard Lines), the Kingsholm (Swedish American) and others. During 1958 the Statendam (Holland-American), the Urline (Matson), etc. are expected to visit here.

For air travel, 14 corporations are operating 25 airlines calling at Japanese airports, of which five lines are managed by one Japanese firm, Japan Air-

lines. In the course of 1956, 93,747 travellers visited Japan and 95,933 left from here by air.

In 1931, 19 national parks were established in various scenic spots in the country. They have since been well taken care of by the Government itself (see Table 7). In addition, the Ministry of Welfare designates 14 scenic places as pseudo-national parks.

Sight-seeing tours in Japan are arranged and operated by the Japan Travel Bureau and other agencies. Though trips to meet individual requirements may also be arranged, some typical itineraries are shown in Table 8.

7. JAPAN'S NATIONAL PARKS

Name of National Park	Location	Features
Akan	Hokkaido	The biggest lake on hilly land in Japan full of <i>marimo</i> (a ball-like duckweed)
Daisetsuzan	Hokkaido	Mountainous park
Shikotsu-Toya	Hokkaido	Two lakes among beautiful mountains with the best spa hotel in Far East
Towada-Hachimantaira	Tohoku	Lake Towada with larch forests
Rikuchu Kaigan	Tohoku	Full of scenic spots along the Pacific Coast
Bandai-Asahi	Tohoku	Natural Zoological Garden with monkeys, antelopes, etc.
Nikko	Kanto	Toshogu Shrine, Lake Chuzenji, hot-springs
Joshinetsu Kogen	Kanto-Chubu	High plateau, mountains and hot-springs
Chichibu-Tama	Kanto	Beautiful valleys and forests
Fuji-Hakone-Izu	Kanto	Scenic spots and hot-springs with Mt. Fuji as a centre
Chubu Sangaku	Chubu	Northern part of the Japan Alps
Ise-Shima	Kinki	Pretty bays with pearl farms
Yoshino-Kumano	Kinki	Scenic beauty on Kumano coast and cherry-blossoms at Yoshino
Deisen	Chugoku	A mountain like Mt. Fuji
Inland Sea (Seto Naikai) ..	Chugoku	Beautiful islets and bays
Aso	Kyushu	A noted volcano, full of wild monkeys
Unsen-Amakusa	Kyushu	Hot-springs noted for azalea flowers in spring and for crimson leaves in autumn
Saikai	Kyushu	A number of pretty islets with relics of early Christian martyrs
Kirishima	Kyushu	Scenic spots with Mt. Kirishima as a centre

8. TYPICAL TOURS ARRANGED FOR FOREIGN VISITORS

Duration of Stay (days)	Itinerary
5	Tokyo-Nikko (Toshogu & Lake Chuzenji)-Kyoto
7	Tokyo-Nikko-Kyoto-Nara
10	Tokyo-Hakone-Kyoto-Nara-Nikko
21	Tokyo-Nikko-Kamakura-Hakone-Kyoto-Nara-Kobe-Takamatsu-Hiroshima-Osaka-Beppu-Mt. Aso-Unsen-Fukuoka (or instead of the Beppu-Mt. Aso-Unsen-Fukuoka course, from Osaka to Sendai-Lake Towada-Hokkaido)

As for entry procedure, some exemption measures about visa are provided. For instance, passengers without a Japanese visa on commercial carriers may be granted permission to land in Japan for layovers of less than 72 hours, and sight-seeing tourists may also be allowed to make a trip of less than 15 days without a Japanese visa. Under mutual agreements, visas are not required of tourists coming from some countries (with the maximum of three months' stay), or citizens of other countries are exempted from the payment of visa fees or may pay lower fees. Souvenirs are put on sale at designated stores, and some of them are exempted from the commodity tax.

Bottlenecks and Five-Year Adjustment Plan

In the tourist industry, there is no such international competition as in export industries, nor it will come in for any resistance from the countries wherefrom visitors are invited. Not only that, the

ratio of net foreign fund earnings is substantially higher than most of the export industries as already pointed out. The fact is, however, that Japan's proceeds from this industry are extremely small.

To boost her earnings from tourism, Japan must overcome various handicaps by all means. First, though full of scenic spots, the Japanese islands are far away from America and Europe. It takes 30 hours by air and as many as 14 days by ship for foreign tourists to come here even from the Western coast of North America, whereas the trans-Atlantic travel from the Eastern coast of North America to Europe requires only 18 hours and four days, respectively, so travel expenses are incomparably high. Second, Japan is an isolated archipelago, while on the other hand in Europe, for instance, there are a number of scenic beauties and ancient relics in many countries, such as France, Italy and Switzerland. This has been particularly the case after the war, for the Chinese mainland has been secluded, so to speak, by the Bamboo Curtain. Prior to the war, a number of tourists used to call at Japan on their way to or from Shanghai and Peking.

Furthermore, hotels have not sufficient accommodations, and their charges are relatively high. Roads are not good for motoring.

In this light, with the consent of the Council for the Tourist Industry, the five-year plan has been put under way to expand and improve tourist agencies and services from 1957 through 1961 with the total cost of ¥292 billion (\$811 million). For implementation of this program, it is assumed that the number of foreign visitors will increase to nearly 300,000 (their spendings at \$120 million) in 1961 from 103,000 (\$45 million) in 1955, and that their spendings per capita within Japanese territory (excluding international traffic fares) will decrease to about \$400 from \$440 in the meantime. As for domestic travellers, it is assumed that the number of travels and the amount of travel expenses will go up from 380,000,000 and ¥230 billion (\$639 million), respectively, in 1955 to 480,000,000 and ¥280 billion (\$778 million) in 1961 because of the improvement of living conditions and the increasing popularity of travels. And per capita spendings, on the other hand, is assumed to shrink from ¥605 (\$1.68) to ¥585 (\$1.63) on the average.

Tokyo Electric Express Railway

Though it now is operating a number of suburban lines for commuters around Tokyo, this company has up its sleeve an ambitious plan for the tourist industry. In the first place, it has mapped out a program for an Ito-Shimoda railway along the eastern coast of Izu Peninsula with the total cost of over ¥5 billion. Though it has not yet been authorized by the Ministry of Transportation as a similar application has been submitted by Seibu Tetsudo, a rival railway firm, the plan certainly will be given official permission before long. The eastern coast of Izu Peninsula is noted for its natural beauty and nume-

rous hot-springs, and an increasing number of tourists have been visiting there by bus. In this light, the Japanese National Railways once worked out a plan to construct a local line there but gave it up for lack of funds. If and when this company's new line is opened, more and more travellers will visit Izu Peninsula. In anticipation of such prospering tourist business there, the company has already opened several hotels and inns at Imaiama and Izu-Nagaoka. It is also planning to open a golf link.

The company has its eyes also on Karuizawa, the best summer resort in Japan. For improvement of traffic services there, it is offering all sorts of aid to such affiliated firms as Kusakaru Tetsudo (Kusatsu-Karuizawa Railway) and Gumma Bus.

Mt. Haruna is another scenic spot where the company is operating a bus line around Lake Haruna. It is said that the former golf link and cable-way will be reopened.

In Hokkaido where traffic services and hotel accommodations are yet very poor though many travellers are visiting there to see beautiful mountains, lakes and bays the company has put under its orbit Jozankei Railway and Sapporo Bus. It has a plan to construct a loop-road from Jozankei to Lake Doya.

Tobu Railway

In the Kanto district with Tokyo as a center, the company operates a number of railways, the total length of which amounts to 537.7 km. or the second longest mileage operated by one firm next only to that of Nagoya Railroad. Along its railway lines there are many scenic spots and places of historical interest. The best known among them is Nikko, or a world-famous tourist mecca in Japan full of natural beauty and artificial splendour.

Covering nearly 57,395 *chobu*, the Nikko National Park extends over four prefectures—Tochigi, Gumma, Fukushima and Niigata. It is divided into two parts—the Nikko and the Ose area. In the latter, the company operates a bus line for visitors. At Nikko there are the Toshogu Shrine, Lake Chuzenji and the Kegon Fall. A gate to the Toshogu Shrine is well known among Japanese as Higurashi-no-Gomon or the gate which is so full of beauty and splendour that one can admire it from morning till night. Included in the park are also many hot-springs, such as Kinugawa and Kawaharu, both located along the railway operated by this firm. The valley extending from Kinugawa to Kawaharu is called Ryuokyo or Dragon Dale, noted for its grotesque stones and rocks.

For visitors to Nikko, the company is operating a special express service from Tokyo. In competition with the National Nikko Line, the company has been speeding up its service, so its express trains run from Asakusa to Nikko in less than two hours.

At Mt. Akagi, the company has opened a cable-car, a rope-way and inns. This area is noted for its skiing and skating places in the winter season. Visitors will increase as bus roads have been opened.

Odakyu Electric Railway

This company operates two suburban railway services, the one from Shinjuku to Odawara and the other from Shinjuku to Enoshima. Its subsidiary, Hakone Tozan Railway, operates an electric railroad from Odawara to Gora, Hakone, so the company's services extend further up to Yumoto. Visitors can travel from Shinjuku to Yumoto without changing cars.

Hakone is included in the Izu-Hakone National Park. Owing to good transportation, more and more holiday-makers and tourists are visiting there of late. In this light, the company is operating a special express service called the Romance Car as well as ordinary express trains.

For this service, 24 super express (SE) cars have recently been bought, which are claimed to be the best rolling stock in craftsmanship and performance. Their maximum speed is 125 km. per hour, and it can be sped up even to 140 km. technically. It will be put into service at the average speed of 83 km. compared with the 74-km.-an-hour speed of the Tsu-hame or a special express train operated on the Tokaido Line. By the way, the record speed on the narrow tracks has been 81 km. an hour. It is feared, however, that these SE cars cannot be operated at such a high speed because track conditions are not much good. A test recently conducted on the Tokaido Line, however, reveals that this sort of SE cars can run at the speed of 140 km. per hour. If

and when tracks are improved, they will be able to attain the desired speed of 83 km. sooner or later. It now takes one hour and 16 minutes for an express train to run from Shinjuku to Yumoto (Hakone) but this time schedule will be reduced to one hour before long.

Hakone Tozan Railway operates railway service from Odawara to Gora, wherefrom visitors can change into a cableway up Mt. Sounzan. At the former Iwasaki mansion by Lake Ashinoko, the company's Yama-no-Hotel stands, wherefrom visitors can see the lake just before their eyes and Mt. Fuji high up in the sky in bright days. At Sengokubara, there is the Hakone Country Club operated also by this subsidiary.

The company in October, 1955, connected its service with the Tokaido Line at Gotenba Station, which is something like a front gate to the Five Lakes at the foot of Mt. Fuji. It will expand its tourist services in this area. In the summer of 1957, it opened camp service by Lake Yamanaka.

At Enoshima, the company has a beach-house as Tokyo Electric Express Railway and some other railway firms. The Enoshima-Katase area now is known as a Miami of Japan. Its affiliate, Enoshima-Kamakura Kanko K.K., is also planning to open another beach-house there, and it will expand its motor pool and other services. A whale pool there now has become a topic of conversation among holiday-makers and tourists.

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Japan Air Lines

Operating domestic and international air lines, this company, capitalized at ¥5,733 million, almost monopolizes air transport business in Japan. Since its establishment in 1953, its business has been expanding by leaps and bounds. Air passengers transported from April, 1956, through March, 1957, numbered 346,000, or up 18% from a year ago, for domestic lines and 35,000, or up 50%, for international lines. The number of passengers is expected to increase more than ever in the current fiscal year.

In view of such encouraging outlook, the company placed orders for four Douglas DC-8 jet-engine liners as early as toward the end of 1955 and for four DC-7 planes in April, 1956. The latter will be delivered from December, this year, through April, next year, and put into service on the Tokyo-San Francisco route. And AD-6 models now operating on international lines will gradually be switched over to domestic service.

Kinki Nippon Railway

Capitalized at ¥3,510 million, this is the biggest railway firm in Japan. It is operating a network of railway and bus services over six prefectures in the Kinki district (Osaka, Nara, Miye, Aichi, Gifu and Kyoto), well comparable with that of the National Railways there. The most important lines among them are three: i.e. the Osaka-Nagoya-Ujiyamada, the Osaka-Nara and the Osaka-Yoshino lines.

Covering the whole of Kii Peninsula, these lines

pass through well-known places of scenic beauty and historical interest—Ikoma, Nara, Kashiwara, Mt. Kongo, Yoshino and Ise, all of which can compete with Kyoto in historical interest and artistic splendour. In these places there are a number of Shinto shrines and Buddhist temples full of ancient relics and arts, including many National Treasures. Foreign tourists usually visit there to see them. Tourist services are so well arranged by the Government and local authorities that even strangers can enjoy their travel or holiday-making with content.

The Yoshino-Kumano National Park is noted for its cherry-blossoms, and the Ise-Shima National Park is widely known abroad for its cultured pearls. At Shima, there is the Shima Kanko Hotel and a golf link.

Kei-Han-Shin Kyuko Railway

Under the able leadership of the late Mr. Ichizo Kobayashi, this company for the first time undertook not only traffic services but also terminal department stores, amusement centers, apartment houses, real estate sales and other tourist enterprises for invitation of more and more passengers, and secured a big success in such multilateral management. Thus, almost all other railway firms have since followed suit.

The company is operating various traffic services in the up-town districts of Osaka and Kobe and the southwestern suburb of Osaka, with the Osaka-Kobe, Osaka-Takarazuka and Osaka-Kyoto lines as trunks. These lines pass through not only industrial areas but also residential satellite cities.

In the Mt. Rokko National Park, which is well known for its proximity to the big cities like Kobe and Osaka, the company has been lavishing efforts for betterment of tourist services in full cooperation with local authorities concerned. Thus, this area has become one of the best recreation centers in Japan. At the foot of Mt. Rokko, there are many dwellings for resident foreigners as both climate and environment are very good. It is said that a night view of Kobe City and Osaka Bay from the top of Mt. Rokko is worth \$1,000,000. There stands the Rokkosen Hotel operated by a subsidiary of this company.

At Takarazuka there are the Girls' Opera Theater and a zoological garden both operated by the company. It now is the most popular amusement center in the Kansai district.

Located along the Osaka-Kyoto line are the Katsura Detached Palace noted for its Japanese style garden and Arashiyama or a place of scenic beauty and historical interest.

Nankai Railroad

The company has two trunk lines, namely the one from Osaka to Wakayama and the other from Osaka to Koyasan. The former is recently gaining popularity as the shortest route for travellers to visit Shikoku Island, for the company's subsidiary is operating sight-seeing ferry service from a port on Kii Peninsula to Awaji Island or a stepping stone to

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Shikoku. Along this line, the Misaki Park has recently been opened, and its natural zoological garden is attracting many holiday-makers. At the terminal of the Osaka-Koyasan line there stands Mt. Koya. At the top of the mountain there is a well-known Buddhist temple which still allows no woman to enter.

Keihan Electric Railway

Though not so large in scale as the other railway firms already referred to, this company is worth mentioning because it is putting particular emphasis on tourist business in Kyoto, or the old capital of Japan, which suffered no air raid damage during World War II and still preserves invaluable relics of ancient culture. It is operating a railway line from Osaka through Kyoto to Otsu or a city by Lake Biwa. And its affiliate is offering well-arranged bus service in Kyoto City.

Imperial Hotel

This hotel has been very well known among foreign tourists since prewar years, while on the other hand other Tokyo hotels, such as the Nikkatsu Hotel, Gajoen Kanko Hotel and Kanko Hotel Maruei, are all postwar establishments. It was built as early as in 1890.

Immediately after the war, the hotel was requisitioned by the Occupation Forces. Since its requisitioning was lifted in 1952, it has been restoring and expanding its accommodations by all means. In view of the ever-increasing number of foreign tourists,

in September, 1953, it started construction work for a new seven-story building with a two-floor basement, which was completed in November, 1954. Thus, it now has accommodations for 750 visitors with 460 rooms compared with its former 260 rooms for 400 persons.

As foreign travellers are coming increasingly of late, the hotel often has to decline a number of applicants in the tourist season. Thus, it is pushing the construction of another new building, which will be completed in July, 1958. And its accommodations will be doubled by that time.

Only during the summer season, it operates a mountain hotel at Kamikochi, Nagano prefecture.

Other Railway Companies

Keio-Teito Electric Railway and Fujisanroku Electric Railway open their camp sites by Lake Yamana in the summer season. They are planning to improve other services in the area of the Five Lakes at the foot of Mt. Fuji.

Keihin Electric Express Railway is operating its railway and bus services in Miura Peninsula, where there are many scenic spots, such as Kanazawa Hakkei, Kurihama, Zushi, Hayama and Miura. It has mapped out a long-term program for a round-Miura-Peninsula railway. This peninsula still remains undeveloped as a tourist centre because there were many prohibited areas in time of war. Improved traffic will invite more and more travellers to this peninsula.



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Export Bottoms

By Shuzo Mutsuoka

IN May and June, this year, there occurred frantic shifts in the Government's economic policies, mainly in connection with the tightening of credit to counter the worsening of Japan's foreign exchange position. Currently, with a view to boosting export volume to bring about betterment of the balance of payments both the Government and private circles are studying the ways and means of promoting export sales.

It should, therefore, be of considerable interest to make a short review of Japanese shipbuilding activities, which through export of vessels of various types have contributed over the past few years in no small way toward acquisition of foreign exchange.

Ship Export Situation

For some years following upon the end of World War II hostilities, both West Germany and Japan were out of the running in ship construction for the world market; and the shipyards of the United Kingdom were engaged in the building of about one-half of all bottoms then under construction throughout the world. However, both West Germany and Japan made unexpectedly quick recovery; and in our own case the growth of capacity was truly phenomenal, with the year 1956 marking the surpassing of Britain, long the foremost shipbuilding nation of the world, in keels laid, tonnage launched, and tonnage completed.

1. LAUNCHINGS, ACTUAL AND EXPECTED

Fiscal Year	For Japanese Owners		For Export		Total	
	Qty.	Gross T.	Qty.	Gross T.	Qty.	Gross T.
1948-49	145	116,337	2	840	147	117,177
1949-50	127	119,307	20	40,800	147	160,107
1950-51	164	280,763	21	77,640	185	358,403
1951-52	155	502,462	16	32,471	171	534,933
1952-53	184	437,240	38	253,075	222	690,315
1953-54	250	356,673	131	161,138	381	517,811
1954-55	288	281,463	128	204,555	416	486,018
1955-56	308	292,118	152	713,775	460	1,005,893
1956-57	381	638,871	98	1,336,076	479	1,939,947
1957-58	92	718,500	90	1,305,500	182	2,024,000
1958-59	25	343,350	48	947,400	73	1,290,750

Note: Figures include all steel ships of not less than 100 tons gross.

In 1956 the keel-layings totalled 2,040,000 gross tons; launchings, 1,740,000 gross tons; and completions, 1,540,000 gross tons, 27 percent, 26 percent, and 24 percent respectively of the world totals. This year too, the amount of work to be undertaken by Japanese shipyards will be the same, if not more; and construction is expected to run somewhere between 2,200,000 and 2,300,000 gross tons, about 30 per cent of the total of 7,500,000 gross tons expected for the whole world. This goes to show how far Japan has advanced as a shipbuilding nation.

The main cause of the high level of activity in Japanese shipyards is, as is clear from the foregoing, the big volume of orders placed by foreign

2. TONNAGE UNDER CONSTRUCTION AT THE PRINCIPAL SHIPYARDS (24)

	March 31, 1955		March 31, 1956		March 31, 1957	
	Qty.	Gross T.	Qty.	Gross T.	Qty.	Gross T.
For Japanese Owners	23	182	37	322	88	795
For Export	52	659	170	2,532	172	3,224
Total	75	841	207	2,854	260	4,019
(Index)		(100)		(339)		(478)

ship operators. Table 1 shows that contracts for export bottoms began declining in volume after the peak of 1952-53; but while overall volume was kept up by the 1953 subsidy for shipbuilding steel, and the link system with sugar imports introduced in 1954, the subsequent uptrend of the world shipping market caused a steady flow of orders from foreign ship operators to create what is known here as the export shipbuilding boom.

3. TONNAGE UNDER CONSTRUCTION IN 1956 BY THE MAJOR SHIPBUILDING NATIONS OF THE WORLD

Country	Keel Layings		Launchings		Completions	
	Qty.	Gross T. (1,000 GT)	Qty.	Gross T. (1,000 GT)	Qty.	Gross T. (1,000 GT)
Japan.....	358	2,083	328	1,735	297	1,538
U.K.	260	1,343	276	1,379	291	1,457
Germany ..	407	1,120	417	994	417	1,085
U.S.	51	320	43	168	42	126
Sweden	83	567	79	480	84	484
Netherlands	189	475	171	448	154	395
France	69	349	68	293	62	253
Italy	44	470	66	363	58	270
World T.	1,782	7,510	1,711	6,538	1,669	6,291

Note: Ships of not less than 100 gross tons

Source: Lloyd's quarterly statistics, tabulated without weighting.

Table 4, showing the tonnage under construction by the major shipbuilding nations of the world, as of March 31, 1957, indicates that 65 percent of the bottoms under construction in Japanese yards was for export, while the proportion taken up by ships among the so-called plant exports is extremely high, at 86 percent in fiscal 1955-56, and at 90 percent in fiscal 1956-57. Consequently ships today rank among the most important of Japan's export products.

4. TONNAGE UNDER CONSTRUCTION AS OF MARCH 31, 1957 BY THE MAJOR SHIPBUILDING NATIONS OF THE WORLD

Country	Keel Layings		Of Which, Export		Completion Rate %
	Qty	1,000 GT	Qty.	1,000 GT	
U.K.	384	2,086	73	467	22.4
Japan.....	161	1,434	56	937	65.4
Germany	238	857	97	577	67.4
Italy	84	669	22	229	34.2
Netherlands	184	691	46	204	34.0
Sweden	63	495	12	155	31.3
United States ..	62	482	31	313	65.0
.....	35	365	2	49	13.4
World Total..	1,598	8,382	457	3,358	40.0

Note: Vessels of over 100 Gross Tons

Source: Lloyd's Statistics

The Future of Ship Exports

The question of whether or not the current boom in export ship construction will continue into the future is difficult to answer. Nevertheless the points mentioned below may give some idea of the future outlook.

5. SHIPBUILDING BACKLOGS, AS OF MARCH 31, 1957, OF THE MAJOR SHIPBUILDING NATIONS OF THE WORLD

Country	On Contract		Tankers on Contract	
	Qty.	1,000 GT	Qty.	1,000 GT
United Kingdom.....	512	5,188	167	2,793
Japan.....	325	5,067	164	3,728
Germany.....	488	4,872	107	2,115
Sweden.....	235	3,051	130	2,372
Netherlands.....	184	2,104	80	1,402
United States.....	184	1,904	70	1,768
Italy.....	126	1,699	54	1,121
World Total.....	2,515	29,248	964	18,496

Note: Vessels of more than 1,000 gross tons

Source: A.B. Statistics

6. PROPORTION HELD BY SHIPS AMONG "PLANT EXPORTS"

Item	1954		1955		1956	
	Value (\$1,000)	Percent	Value (\$1,000)	Percent	Value (\$1,000)	Percent
Ships.....	132,921	66.2	452,348	86.0	685,648	90.0
Rolling Stock & Vehicles ..	11,332	5.6	43,257	8.2	43,061	5.6
Electrical Machinery ..	3,992	2.0	3,604	0.7	2,866	0.4
Communication Equipment ..	416	0.2	232	0	192	0
Textile machinery ..	35,747	17.8	11,463	2.2	14,105	1.9
Other.....	16,376	8.2	14,991	2.9	15,760	2.1
Total.....	200,714	100	525,891	100	761,532	100

Source: Ministry of International Trade and Industry

7. FOREIGN EXCHANGE EARNINGS FROM SHIP EXPORTS

(In \$1,000, 1956 Calendar Year)

Ranking	Commodity	Value
1	Ships.....	279,131*
2	Cotton Fabrics	263,743
3	Rayon Fabrics	219,720
4	Steel Products.....	163,125
	Total.....	2,402,241

Note: *All machinery items, including ships, total \$507.9 million

Source: Bank of Japan Foreign Exchange Statistics

1) Of the total world tonnage of 150 million gross tons (Lloyd's statistics for July 1956) there are due for replacement some 5 to 6 million tons of over-age (more than 25 years old) ships and low-efficiency wartime bottoms. These must be scrapped and replaced sooner or later.

2) World consumption of petroleum and petroleum derivatives is rising annually at an increasing rate. Since at the present rate of tanker construction, the need for more bottoms will never be fully met; and it can be confidently said that orders for tankers will continue to be placed in increasing volume. Moreover, the trend is definitely toward large tankers, with the 45,000-ton class now regarded as standard. Bigger tankers are expected to become quite common, and since Japanese shipyards are equipped with the largest capacity in the world for big ships, much future activity is anticipated.

3) The general world business trend appears to be headed toward prosperity, with no notable indication of a major recession.

4) Because there is an increasing tendency for the less advanced nations to aspire after the operation of their own merchant fleets, quite apart from the world shipping market, there have of late been an increasing number of inquiries received by Japanese shipyards. There is considerable likelihood of ship exports to these nations materializing in the future.

Because of these reasons, the future outlook for Japan's shipbuilding firms appears bright. The volume

of orders, and the rate at which contracts are concluded may, of course, decline somewhat in comparison to the present backlog of orders. The trend, it appears, will be for the shipyards to be increasingly selective in regard to customers, and their main effort doubtless will be directed toward consolidation of business in step with the maintenance of production at the optimum level. In this way, the Japanese shipyards are expected to reach a level on par with the world's best.

Problems Concerning Ship Exports

With the intensification of competition in world markets in recent years, it is obvious that selling abroad will continue to become more and more difficult. The maintenance of a stable and reliable export market is a matter calling for years of incessant endeavor; and the Japanese shipbuilders are aware that they cannot rest on the laurels of their recent achievements. They are, therefore, prepared to undertake improvements in efficiency, while they look to the Government to act in every possible way for promotion of export trade. The key problems confronting the shipbuilding business under these circumstances are as described below.

1. Export Financing. The collaborative (with the city banks) credit extension to the shipyards by the Export-Import Bank of Japan stood at 80 percent of the total in fiscal 1955-56. This was reduced to 70 percent in fiscal 1956-57, and further to 60 percent this fiscal year. This is low as compared to the 80 percent furnished in the case of other types of "plant" exports. Because, with the extended delivery of most of the export ships, there is an increasing tendency on the part of customers to seek deferment of payments, the reduction of the Export-Import Bank participation together with the upping of money rates are causing the profit margin to decline so much that the incentive for export shipbuilding is receding rapidly. It is recommended that the degree of collaboration be returned to at least 80 percent of the total.

One major problem confronting the shipyards of Japan is that of developing new markets, and it is opined that export of bottoms must be promoted to such emergent nations as those of the Southeast Asia area, and Central and South America, which would tend to place regular programmed orders regardless of the world business conditions. These nations, however, are not favorably disposed in respect of their foreign exchange holdings, so in order to compete with British and German shipbuilders, who have better financial backing for competitive selling, payments must be spread over a long term. For this purpose, it will be necessary to change the Export-Import Bank policy of restricting credits to contracts payable in less than five years to one that will permit much easier terms.

The Export-Import Bank when extending credit in connection with deferred payment contracts for ships asks for maximum protection by demanding, in

addition to transfer of title to payment certificates, letters of guarantee in connection with mortgages on the vessel, charter charges, and export receivables. On top of this, the mortgaging of shipbuilding facilities is demanded.

Because of this requirement for mortgaging of facilities, the shipbuilder, when he has on hand many orders involving deferred payments, tends to run out of mortgageable assets, making it difficult to borrow from the city banks. This results in avoidance of deferred payment contracts, just at the time when promotion of exports should be undertaken in more ways than one. It is recommended therefore that this additional burdening of the shipyards by demands for mortgaging of facilities be eliminated, particularly since deferments will become increasingly necessary if orders from foreign customers are to be sought.

Recently, because of the general tightening of credits, the collaborative lending by the Export-Import Bank and the city banks has come up against a number of difficulties. Promotion of exports must not be permitted to become a meaningless slogan; and action should be taken to see that the city banks are adequately supplied with funds for financing export production.

2) Tax System. The mainstay of the present export production promotion system is provided by the tax system as amended twice in the recent past. Currently, the tax exemptions or reductions are

valid until the end of 1959, but since with ships the period between signing of contract and delivery of the completed product tends to be long, while most shipyards, with a view to stabilizing operations prefer to enter into long-term contracts, the bulk of the contracts that will be signed henceforth will call for delivery after the end of 1959. In such cases, the benefits provided by the tax system will be missed, and promotion of export will not be adequately effected. Recent press reports indicate that the Government has been discussing the possibility of expanding the scope of the exemptions as well as an increase of the benefits when export volume exceeds that of the base period. It is recommended that the action be pushed one step further by making the tax exemption system for export production a permanent one.

In order to cope with the competition offered by other manufacturing nations, it will be essential to streamline operations and reduce costs; but at the core of streamlining lies the necessity of keeping abreast of rapidly progressing technological advances by unequivocal modernization of plant and equipment. This must be effected with the fastest turnover possible so that in the event of a depression there will not be a heavy burden of unamortized capital equipment. Nevertheless, the present tax system does not allow for sufficient write-off for depreciation. Recommended most strongly is accelerated depreciation for certain special facilities in order to correct this anomaly.

3. Price Stabilization for Shipbuilding Steel. With ships, materials make up about 70 percent of the total cost; and among materials, the biggest proportion comprises steel (about 20 percent) for the hull and superstructure. In addition, the materials going into the main engines, auxiliary engines, and deck machinery are derived mainly from steel; so when thinking in terms of materials cost, the price of steel becomes a dominating factor.

In order to be able to accept orders for export ships readily for furtherance of the export production activity of recent years, the best and most logical way is to provide better ships at lower cost than other nations. To keep costs down, the price of shipbuilding steel must be kept low and stable. Although at the peak of the export shipbuilding boom the rising price of steel could be met by the high volume of production, the rise of steel by so much as ¥15,000 per ton in the past eighteen months is constituting a tremendous burden upon the shipbuilders since orders from abroad have abated somewhat. Forceful measures, therefore, are necessary to lower the price of steel.

The problems dealt with above, although primarily in connection with the export of ships, are related to Japanese export industries in general. We have time and again asked for action; and it must be emphasized that something is to be done, not merely talked about. The sooner concrete measures are adopted on the basis of the suggestions made herein, the better it will be for all concerned.

(The writer is President, Harima Shipyard Co.;
President, Japan Shipbuilders Association)



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Minato-ku, Tokyo

Kaleidoscope

Interned Fishermen:—According to the Socialist Mission now visiting in Soviet Russia, the latter gave the following answer to the former's request for particulars about the interned Japanese fishermen: 1) Although the Japanese authorities claim that 44 fishermen are now held by the Russians, the Soviet Government can account for only 29, 25 of whom are serving in Russian prisons for 1-2 year sentences, while the remaining 4 are waiting for trials; 2) Although the Japanese claim that 125 ships are currently held by the Russians, the Soviet Government can account for only 93 ships, which are now in the Russian hands after due legal procedures. Besides these 93, the Russians acknowledge, they saw 9 more Japanese ships violating Russian territorial waters which they did not intern; 7 more ships which they once caught but later let go.

Bumper Rice Crop:—This is going to be another bumper crop year, the Ministry of Agriculture and Forestry predicted on October 3. As of September 15, the date of the survey, the total rice crop for 1957 is estimated to be around 76,817,068 *koku*, of which 74,831,200 *koku* being paddy field rice, while the remaining 1,985,868 *koku* being upland rice. This is 5.7% increase over 1956, which was by no means a lean year. It is now definite that 1957 is going to be the second biggest year as far as rice crop is concerned, next only to 1955 in which the record-breaking 82,564,950 *koku* was achieved.

Productivity in Agriculture & Fishery:—Productivity in agriculture and fishery was somehow marking time in 1956. So announced the Ministry of Agriculture & Forestry on September 30. The three-year average, 1950-52 set at 100: 1) the agricultural productivity index in 1956 stood at 117.2, a decrease of 5.9% from the 1955 peak; 2) productivity in rice also hit the skid by falling 11.8% down from the 1955 peak of 120.8; 3) only the production in fruit and milk showed any tangible increases by advancing to 168.0 and 270.6 respectively (37.7% and 24.7% increases respectively over 1955); 4) production in forestry activities climbed a little by recording 115.4, 4.4% increase over 1955; 5) fishery productivity was practically on the same level as in 1955 with 137.6.

Reparations to Burma:—Japan's reparations programs for Burma entered into a third term on October 1. The total reparations amount during the second term (which ran for one and a half year) reached ¥11,595,940,000. Put together with the first term amount, the total now comes to ¥11,828,190,000. The main reparations items in the second term are: building of an electric power generation station (¥4.6 billion); building of assorted factories and workshops (¥1.1 billion); railways rolling stocks (¥2.7 billion); river boats (¥1 billion); automobiles ¥1 billion; electric appliances ¥1.5 billion; light machinery (¥1.6 billion); building materials (¥2.4 billion); canned fish (¥200 million); ammonium sulphate (¥27 million) and photographic materials (¥14 million).

Constitutional Revision:—Japanese public opinion is favoring the constitutional revision at the ratio of 6 to 4. This is the result of a poll conducted by the Deliberation Council of the Government Secretariat of 20,000 men and women chosen at random throughout the country. The following are the major questions asked and answers given in the nation-wide poll: 1) Are you in favor of constitutional revision? Yes—28%; No—19%; Have to think twice—10%; No opinion—43%; 2) Do you approve of the Emperor and the Emperor system? Do—87%; Don't care either way—11%; No opinion—2%; 3) Do you approve of Japan's rearming? Do—31%; Do not—42%; Have to think twice—15%; No opinion—12%; 4) Do you want labor strikes restricted by law? Do—47%; Do not—29%; No opinion—24%.

9 Electric Companies:—Despite the gloomy prediction at the start of the 1957 first half what with the shortage in available water and fuel what with the rapid hiking of material costs, the business results of 9 electric companies in the April-September term were by no means meager. The total profits of the 9 companies are expected to reach ¥15 billion due mainly to the abundant water supply during the months of July, August and September. The profit amount is the biggest since the regrouping of electric power companies in 1951. The only catch here is that most of the gains is centered around such big earners as Tokyo, Kansai and Chugoku Electric Companies, while others are mostly left in the ditch. In detail, power generation was somewhat (1.5% to be exact) short of the original plan in April, while in and after May, the actual generation eclipsed the original plan by 5 to 7% margin. The total electricity generation during the April-September term is expected, therefore, to reach 30 billion KWH, a 7% growth over the original plan. The earnings from the sales of electricity, on the other hand, is expected to be around ¥48 million.

Coal Industries Booming:—According to the Japan Coal Association, the April-September term profit of 18 major coal mining companies (Jan.-June term for Sumitomo Mining and Feb.-July term for Joban Coal Mining) is expected to reach ¥6 billion, the biggest earnings since the Korean War boom. The major reasons for this boomlet are wholesale stocking of coal by other industries and brisk and high-efficiency production of coal. As a result, profit per ton jumped from ¥176 in the Oct.-Mar. term to ¥226-276 in the Apr.-Sept. term. The total delivery amount likewise grew as much as 600,000 tons from 17,490,000 tons in the Oct.-Mar. term to 18,100,000 tons in the Apr.-Sept. term.

Nuclear Reactor:—The Atomic Energy Commission has recently drawn up a draft for the long-term development program of nuclear reactor for the generation of electric power. The main points in the draft are: 1) By 1975, Japan will generate 7,050,000 KWH equivalent of power through nuclear energy; 2) By 1969, Japan will build by itself nuclear reactors capable of producing 100,000 KWH equivalent of power; 3) Alongside with the plan envisaged above Japan will also try to build by itself Kolder-Hall type reactors capable of producing 1,500,000 KWH equivalent of power altogether; 4) the total outlay for the program shall be ¥1,347.8 billion; and 5) By 1975, the amount needed for the atomic reactors will be 3,146 tons in terms of uranium.

Distribution of Stocks:—The percentages of stocks held by banking institutions and individual owners are steadily gaining. This is the conclusion reached by the Nikko Securities Co., which has recently wound up its extensive survey of 355 list companies (total stocks issued: 11,001,000; total stockholders: 5,516,000), which closed their accounts during the period from November, 1956 to April, 1957. The details follow:

Stocks held by	May-Oct., '56 term (%)	Nov., '56-Apr., '57 term (%)
Banking Institutions	28.35	27.47
Securities Dealers	6.97	6.81
Companies	16.09	14.43
Individual Owners	48.37	49.27
Foreign Investors	1.88	1.44
Others	0.68	0.56

Among the individual owners, those who own from 500 to 1,000 stocks grew from 9.17% to 9.30% while those who have from 1,000 to 5,000 stocks grew from 23.24 to 23.95 denoting the fact that, unlike the pre-war days when the stocks were monopolized by a privileged few, small investors are currently enjoying their heyday.

Glimpses of Japanese Culture

Translated Japanese Literature

By Masahito Ara

THE main topic of the 29th International PEN Club conference recently held in Tokyo was, symbolically, the interchange of literature between East and West. As was often pointed out by PEN representatives, the number of literary products of the East introduced into Western languages is indeed minute compared with the Western literature translated into Asian languages.

Japan serves as an outstanding example of this imbalance. With the "opening up" of Japan in mid-nineteenth century, the Japanese took to absorbing things Western with dogged determination. Perhaps no other country can boast of more numerous translations of literary products from other countries.

Literary Interchange

Japan's conversion from its time-honored traditions to the new and seemingly more brilliant Western influences was so complete that it is not overstating the case to say that few Japanese novels, short stories, or poems after the Meiji Period (1866-1912) have been immune to the influence. Japan's men of letters modeled their products on nineteenth century Western literature in rejection of their own heritage. The so-called Japanese naturalism was nothing but a version of the Western original then on the rampage on the European continent. Out of this state of things, one could hardly expect a literature to grow to such a magnitude that Western writers and poets would scurry to its feet. This does not necessarily mean, however, that no translation of Japanese literature was made during the interim.

For example, many of the novels and essays of Soseki Natsume, then the rage in Japan, were rendered into Western languages and enjoyed a sizable audience for a Japanese writer. Some of his translated works are still available at reputable bookstores. For the readers' information, the following is a list of his translated works. *I Am a Cat*; *The Paddy Bird*; *Man Comrade*; *Barchunk*; *Ten Nights' Dreams*; *Our Cat's Grave*; *Kokoro*; *Le Pauvre Coeur des Hommes*; *Botchan*; *La Porte*; *Within My Glass Doors*; *Dreams*; *Kusamakura*; *Buncho*; *Sanshiro*; *Ein Reiner Tor*; *Inhuman Tour*; *Professor Raphael Koeber*; and *Red Poppy*.

Of these translations, such easy readable stories as *Botchan*, a tale of a high school teacher's adventures; *I Am a Cat*, humorous observations by a cat about human nature; and *Ten Nights' Dreams* seem to be the favorites among Western readers. However, readers of these translations should always be aware that Soseki's merit is mostly in his perfect literary style, so apt to be lost in translation.

Kokoro is an exception. This is a story of a man's crime and his desperate search for peace of mind. The story, told in a simple but forceful manner, has long been held in high esteem by some discerning Western critics.

Turning to more recent literary scenes, the first excellent translation that comes to mind is *The Setting Sun* by Osamu Dazai. This was published by New Directions, one of the most adventurous publishing houses in the United States. *Saturday Review* praised this story highly, claiming it was Japan's answer to D. H. Lawrence's *Lady Chatterley's Lover*. *The Setting Sun* was a smash hit when it appeared in Japan and led the best-sellers' list for a long while. It is the story of a daughter of an impoverished nobleman who tries to get reborn through liaison with a coarse novelist and the concep-

tion of his child. A translation of this work is by no means easy, as Osamu Dazai was at heart a perfectionist and a complex mixture of tradition and experimentation. *Saturday Review's* almost unbounded praise for *The Setting Sun* is a little perplexing to many Japanese critics who do not rate it among Dazai's best, although they understand that the theme itself may have a universal appeal.

Truthfully, we Japanese critics are at a complete loss as to what sort of literary works would most forcibly appeal to foreign readers. No one predicted that *Rashomon* would be such a smash hit among Western film critics.

Dazai's other translated stories include: *Villon's Wife*; *Cherries*; and, *Of Women*. His novels and stories are closer in theme and technique to the traditional Japanese way of story-telling rather than to that of Western countries. The fact that they still appeal to foreign readers can only be explained by the ever-thickening ties between East and West.

The reputation of *The Vacuum Zone* by Hiroshi Noma, one of Dazai's contemporaries, was by no means as spectacular as *The Setting Sun*. When the novel was brought out by the World Publishing House in Chicago, *Saturday Review* cold-shouldered it as a "difficult" novel, neither shocking nor cruel as claimed by the publisher. The novel was simply uninteresting.

Problem of Translation

The total negation by American highbrows of this novel, which dives deep into the sickening center of Japan's military life, does nothing to detract my admiration for *The Vacuum Zone*, which is a fine novel in its own way.

The unbridgeable gap between Japan's literary climate and those of America is one possible answer to the utterly different reception the novel had in Japan and in the United States. Another possible explanation is the problem of translation. *The Vacuum Zone* was a "re-translation" from French—it is more than probable that most of the novel's merit was lost in this roundabout process.

More important than the above two explanations is the different mental attitudes of the Japanese and Americans just after the war. The vehemence with which anti-militarism caught Japan's post-war generation may mean nothing to Americans, who emerged victorious from the Pacific War. Japan's army was a completely different society, unfathomable by any outsider and even by most Japanese. It may be too much to hope that a foreigner will understand what most of the Japanese find difficult to believe themselves.

Japanese readers read American novels and short stories from Hawthorne and Poe down to Steinbeck, Faulkner, and Hemingway without particular awareness of their nationality. But American readers find it difficult to sympathize with the sentiment expressed in such novels as *The Vacuum Zone*. This is the state of things as it now stands.

Another important novel recently translated into English is Yukio Mishima's *The Sound of Waves*, brought out by Knopf Publishing Company. Not particularly representative of Mishima's works, this novel received favorable comment from the press, including *Time Magazine*. The simple, idyllic story in good translation deserved the fairly wide reception which it actually got.

Besides these translations, one should not forget the collec-

tion of modern Japanese poems appeared in the May 1956 issue of *Poetry Magazine*, which featured twenty-seven modern Japanese poets including Fuyuji Tanaka, Sakutaro Hagiwara, To Kondo, Junzaburo Nishiwaki, and Fuyuhiko Kitagawa. The selection is not necessarily reasonable, as evidenced in the choice of Toson Shimazaki, who is not contemporary of other poets chosen. Nevertheless, the attempt is a laudable one, displaying the eagerness of Americans to further their understanding of Japanese literature.

While such *après la guerre* writers as Yukio Mishima see their works translated, such old masters as Junichiro Tanizaki (*Some Prefer Nettles*) are also rendered into English and other languages. But the choice of the translated works are not necessarily excellent. I know quite well that the translators' private likes and dislikes should not be discouraged, but I somehow dream of translators cooperating in presenting Japanese literature in its panoramic whole.

The first mystery writer ever translated into English is Ranpo Edogawa (a pen name which, in Japanese order, is a play on words of Edgar Allan Poe, a favorite among Japanese mystery writers) whose collection of stories was published by the Charles E. Tuttle Co. The collection included: *Human Chair*; *The Psychological Test*; *The Caterpillar*; *The Cliff*; *The Hell of Mirrors*; *The Twins*; *The Red Chamber*; *Two Crippled Men*; and, *The Traveller with the Pasted Rag Picture*. These are the best of Edogawa's shorter stories and probably the best of Japan's mystery stories. This collection, however, seems to have attracted scant attention among foreign readers. Poor translation may have been the reason, but more important: is it not that American readers have ceased to care very much for such ornate, ponderous mysteries? They seem to prefer simpler, straightforward, and longer stories spearheaded by Mickey Spillane and other hard-boiled mystery writers. The failure of Edogawa's book shows clearly how difficult it is to choose the materials to be rendered into foreign languages.

Before and after the Pacific War, a considerable number of stories by Ryunosuke Akutagawa (*Rashomon*, *Kappa*, and *Three Treasures*) and Kan Kikuchi (*Tojuro's Love*) were translated into not only English, but also French and German. Their stories invariably have central themes rather easy for foreigners to grasp and this may explain the considerable popularity their stories enjoyed in Western countries. They did not study English literature at the university for nothing. Stories by Masao Kume, one of Akutagawa's literary coterie, were also introduced to Western audiences for the same reason, but his literary star has since lost much of its luster in his home land.

For the number and importance of novels and stories published, Ogai Mori and Toson Shimazaki are two literary plants little known in the Western world. Rather, stories by Naoya Shiga, a generation younger than the above two, are more widely translated. Shiga's literary style, often likened to crystal in its intensity and clarity, is rather difficult to translate, but the forcefulness of the central theme can always survive translation.

Materials in Literature

Recently, it is reported that Shohei Ooka's war novel, *The Fires on the Plain*, is getting favorable comment in the American press. Although undoubtedly one of the best post-war novels, it is still doubtful if the novel is praised for its intrinsic value, or from the superficial fact that it deals with the mortal struggles between Japanese and American soldiers in the Philippines.

The materials used in novels and stories can attract greater attention than they really deserve. Two cases in point are Kojiro Serizawa's *Le Fin du Samourai* and *J'irai Mourir à Paris*. Both scored considerable hits among French readers,

but only because these novels dealt with France and the prototype Japanese that perfectly jives with foreigners' images of what Japanese are like. It is more than apparent that these two novels were written to catch the foreign readers' fancy at a rather low level. Japanese critics and general readers ignored Serizawa's stories.

Even in Russia, Japanese literature has begun to be understood. In pre-war days, Sunao Tokunaga's *Taiyo no Naimachi* (Sunless Street), a story of a strike at a printing shop, gained considerable popularity among the Russians. Recently, a collection of Japanese poetry from the time of *Manyoshu* (cir. 760) to the present appeared in English. Ilya Erhenburg, who recently visited Japan, has a nice word for the collection. This collection of poetry seems to be read in the United States too, as John Steinbeck, while recently visiting Japan, cited the work in his conversation.

UNESCO Translations

Happily, contracts have been made between UNESCO and Japan's Foreign Ministry to translate Japanese literature in an orderly manner from *Kojiki* (*Books of Ancient Times*) down to current short stories. Preparations for French versions of *Konjaku Monogatari* (*Stories of Old and New*) and Noh plays, and an English version of *Anyakoro* (*Journey in the Dark Night*) by Naoya Shiga are already underway.

The first important Japanese novel which surprised foreign readers was undoubtedly *Tales of Genji*, translated by Arthur Waley in 1930. This has since become a sort of world classic ranking with such stories as *Tales of a Thousand and One Nights*, which have no narrow national boundaries. But in the case of modern novels and short stories, those with themes easy for foreigners to understand are likely to succeed in translation. A case in point is Jiro Osaragi's *Homecoming*, which was published by Knopf and enjoyed a wide audience for a Japanese novel. The reverse case is Eiji Yoshikawa's *The Heike Story*, published also by Knopf in 1956. It is perhaps too much for us to hope that foreign readers who have almost no knowledge of Japanese history will understand this lengthy *samurai* story. How little the average foreign reader of Japanese literature knows about Japanese history is evidenced by a critic who simply took it for granted that the story telling about Genji is the *Tales of Genji* and the story telling about Heike is *The Heike Story*. Nor is it probable that foreign readers know anything about the writer who, during the war, advocated filial duty to the Emperor and collaborated with the military. Without at least some knowledge of these facts and how he switched from his wartime beliefs to the current pacifism, it is next to impossible to fully understand *The Heike Story*.

However, the fact that even a story of this kind, requiring considerable knowledge of Japanese history and things Japanese in general, has begun to be translated into foreign languages at all is very heartening for lovers of Japanese literature within and without Japan.

At present translations of Japanese literature are being done on the "at random" basis. Some bestsellers are being translated on the one hand, and, on the other, translations of ponderous classics difficult for even the average Japanese are being attempted. Foreign readers will at first be surprised by the seeming discontinuity and incongruity of what are explained to them as Japanese literature.

When the major works of Japanese literature are translated, however, Westerners will know that underneath the seeming discontinuity lies a pretty solid vein from time immemorial to the present—the vein of genius and brilliant talent.

(The writer is a noted literary critic and spokesman for the younger literary set.)

Commodity Market

Cotton Goods:—Cotton yarn quotations, which started September in a tone of bullish quiet, became increasingly stiff in the second half of the month as buying operations began to predominate in the market and the demand started to increase for autumn and winter items. The new stiffness of cotton yarn quotations is chiefly due to the curtailment of raw cotton imports in the second half. As part of its policy to restrict imports in order to restore the balance in the international accounts, the Government decided upon a comfortable cut of the foreign currency allocation for cotton imports in the second half. Thus, the fiscal 1957 imports of cotton have been reduced to 2,010,000 bales (910,000 bales in the first half and 1,100,000 bales in the second half) against the original import goal of 2,600,000 bales. With the prospective supply of cotton thus reduced, the yarn production is estimated to dwindle to 225,000 bales in September and further to 210,000 bales in October. On the other hand, demands for cotton yarn, (inclusive of exports) have continued active. In these circumstances, cotton yarn inventories are bound to decrease by about 20,000 bales monthly in the coming several months. It is thus believed that yarn inventories, which reached a sizable total of 530,000 bales at the end of August, are bound to dive below the normal mark sooner or later.

Raw Silk:—Although other textiles such as cotton yarn, rayon filament and rayon staple have begun to recover steadily, raw silk quotations alone have continued rather soft. The domestic demand for raw silk has been comparably sound, but the market tone has continued lethargic. After a short-lived rally in mid September (the month peak of ¥1,974 reached on September 14), the quotations began to weaken again and ended the month at around ¥1,920-30. For all the lethargy, the situation is no longer so "critical" for raw silk as feared a few months ago. Competition between large-scale reelers and small-scale mills has become less intense, as the problem of quality has begun to get a heavier weight in export transactions. Able to supply better-quality items, large-scale mills have been getting better chances in export transactions and their inventories are steadily dwindling. By the increasing use of automatic reeling machines, they have also succeeded in having production costs lowered somewhat. Thus, the profit situation is expected to improve gradually for silk reelers this year.

Chemical Fibres:—Quotations of rayon staple products began to rise in September through October for the following reasons: 1) The gain in response to the rises of cotton yarn and rayon filament yarn prices; 2) The elevation of the production curtailment rate for rayon staple from September; 3) The new production cut enforced for rayon staple yarn from September; 4) The continued animation of exports of rayon staple fabrics to West Germany and Indonesia. The September production of rayon staple totalled 51,540,000 lbs., a sharp recession from the monthly average output in the January-March period at 64,000,000 lbs. and that in the April-August period at 58,500,000 lbs. On the other hand, manufacturers' inventories of rayon staple as of the end of September stood at 21,780,000 lbs., some 4,064,000 lbs. smaller than a month ago. Hence, the manufacturers' prices of rayon staple kept on rising from ¥81.00 for August and September to ¥84.50 for October and further to ¥90.00 for November. The prices for December deliveries are reported to be climbing to ¥95.00. Meanwhile, the production of rayon staple yarn in September amounted to 47,409,000 lbs., down by 6.3% from the August output but not coming up to the original (15%) production curtailment target

(to the monthly output of 42,000,000-43,000,000 lbs.). With the production cut to be more rigidly enforced in October, the yarn quotations are likely to become stiff, although such a recovery is due more to the hike of rayon staple. Rayon yarn, which played a leading role (with cotton yarn) for the recovery of textiles markets, owes its comeback more to arting artificial manipulations by manufacturers such as 1) The production curtailment with the first round enforced as from August 1. As a result, the monthly production of viscose rayon in August was reduced to 16,287,000 lbs. from July's 20,292,000 lbs. and 16,291,000 lbs. in September. 2) The price agreement by six major manufacturers to sell the 120-denier item at ¥175-185 in order to minimize the flow of yarn to city markets: 3) The transfer of about 10,000,000 lbs. of yarn from Kondo, Ltd., known for speculative transactions, to Toyoshima, Ltd. of Nagoya, thus putting an end to floating stocks in the market: 4) The start of the second round of production curtailment as from October 1 to reduce the monthly output to 14,000,000 lbs. These artificial measures have succeeded in lifting the market.

Woollen Yarn:—Woollen Yarn quotations made a comfortable recovery in September through October in that path of filament rayon and rayon staple items. Responsible for the recovery of woollen yarn prices were: 1) The cut of wool imports from 1,300,000 bales to 900,000 bales for fiscal 1957 through the diminution of the foreign currency allocation; and 2) The improvement of other textile products. It should be noted that the production of woollen yarn, which may drop due to the smaller supply of wool, is not compulsory in nature, unlike production cuts other textiles like cotton yarn and chemical fibres. Hence, no sudden decreases in inventories are likely. Under the impact of softening prices of wool, however, the woollen yarn prices also began to weaken from the latter part of October. Although the general tone is stiff, no sharp gain is likely in the near future.

MAJOR TEXTILE QUOTATIONS

		Cotton Yarn (Osaka)	Rayon Yarn (Osaka)	Spun Rayon Yarn (Osaka)	Woollen Yarn (Nagoya)	Raw Silk (Yokohama)
1957: Mar.	2.....	175.3	216.9	114.5	1,074	2,014
	9.....	175.0	218.0	113.1	1,037	2,050
	16.....	175.9	213.0	113.1	1,012	2,046
	23.....	180.5	200.2	113.8	1,030	2,030
	30.....	185.0	210.9	118.6	1,076	2,069
Apr.	6.....	184.9	203.5	118.5	1,046	2,073
	13.....	188.5	214.9	119.0	1,069	2,080
	20.....	185.2	209.6	117.0	1,056	2,119
	27.....	181.7	197.5	115.2	1,037	2,090
May	4.....	178.0	185.2	114.0	988	2,089
	11.....	176.0	176.1	111.8	950	2,051
	18.....	171.6	170.9	109.5	915	2,030
	25.....	168.1	171.5	109.9	925	2,016
June	1.....	167.8	163.1	110.4	924	1,971
	8.....	165.0	163.0	107.7	892	1,963
	15.....	167.5	164.1	107.9	901	1,981
	22.....	173.0	169.0	108.1	927	1,978
	29.....	177.1	182.0	111.3	940	1,981
July	6.....	172.0	178.9	107.1	871	2,010
	13.....	168.2	176.2	104.1	833	1,988
	20.....	165.0	166.9	99.4	839	2,030
	27.....	163.1	164.6	95.0	889	1,976
Aug.	3.....	172.9	169.9	103.1	921	1,969
	10.....	170.2	166.0	102.0	931	1,964
	17.....	167.1	161.0	100.0	913	1,929
	24.....	169.0	162.8	68.8	901	1,911
	31.....	168.0	166.5	99.8	875	1,927
Sept.	7.....	168.5	173.5	98.6	865	1,953
	14.....	170.5	175.0	101.0	844	1,973
	21.....	176.5	179.8	105.7	875	1,945
	28.....	184.4	179.8	105.7	875	1,960
Oct.	5.....	186.0	187.8	111.9	947	1,956
	12.....	182.4	182.9	114.1	935	1,947
	19.....	184.0	184.5	109.5	868	1,929

Labor

Vicious Autumn Struggles:—The *Sohyo*-sponsored autumn struggles, which many predicted would come to nothing, have unexpectedly grown into a vicious tug-of-war between labor and management. From October 17 on, all the public and government corporation unions except National Railways Union have resorted to strike tactics together with such private unions as iron and steel, shipbuilding, transportation and coal mining. This took management and the general public by quite a surprise.

Major reasons why so many thought that the autumn struggles would come to nothing are as follows: Two main objectives *Sohyo* put in its autumn agenda were: 1) wage hikes (by ¥2,000-¥3,000) for such key industries as iron and steel, shipbuilding and transportation and; 2) the recapture of the right to strike for public and government corporation workers. Due to the recent economic recession, however, it was thought improbable that the private enterprise unions would stick to their fabulous wage hike demands, especially when the wages in iron and steel, shipbuilding, coal mining and transportation are by no means below normal. Indeed some of the unions in the striking industries including Kobe Steel Works Union, Hitachi Shipbuilding Union, Ishikawajima Heavy Industries Union and Mitsubishi Nippon Heavy Industries Union refused to participate in the overall labor maneuvers. Moreover, Nippon Express Co. Union refused to jump in any large-scale sabotage tactics on account of its being public in character. Thus, the general public and even most of the labor experts were led to believe there would be no major encounters between labor and management this autumn.

As for the government office workers, it was believed that a 0.15 month amount increase in their year-end allowance advised by the Personnel Board would quell their fighting spirits in the autumn struggles especially when Labor Minister H. Ishida shows his willingness to accept the advice. So there would be no trouble at all here.

The hardest knot in the autumn tug-of-war was expected to be the government enterprise and public corporation workers, especially those in the Japanese National Railways Union, which suffered heaviest casualties in the spring labor offensives in the form of many expelled officials and hell-bent on revenge against the Government. Indeed the communique issued in the middle of October by the Railways Union meeting at the city of Matsuyama went so far as to call the Government

"enemy" and swore to fight for the recapture of the right to strike independent of economic demands. This strong position adopted by the National Railways Union, however, is no longer untenable in the later developments. The first of these developments is the ever-hardening attitude of the general public towards any unreasonable tactics resorted to by the labor unions. Even the daily papers, which have been showing rather undue sympathy towards the labor unions, seem to have run out of their sympathy and have begun to threaten mutiny. The second of the developments, more serious in nature to the Unions itself, is that some discordant voices are being heard among the union members themselves, and there seems to be no lessening of the "voice against the union leaders".

Government's Firm Stand:—The third development to come is that the Government has been steadily building its power to counterattack any labor maneuvers. For example, the authorities have gained legal backing to their contention that the National Railways Union has voluntarily lost its legality by having elected expelled leaders to their former posts. Moreover, the authorities have been giving a big push on the back of the second union movement in the Railways Union and have drawn up a plan to recruit retired railway men in case of proposed strikes. The authorities also refused to check off union fee from employees' pay envelopes for the union as of the end of September, a big blow to the union. Thus routed by the authorities into a corner, the union leaders revived their original fighting plan and put the economic demand in front of the demand for right to strike. *Sohyo* itself circulated its message throughout its member unions urging that the member unions should take utmost care not to incite the public anger.

Because of those circumstances, there were not many who could predict that the autumn struggles would deteriorate as they really did.

On October 8, however, the National Railways Workers' Union leaders met in an extraordinary session and decided that they would go to extreme if their demands failed to get through. Superficially, their demand is an economic one that regular pay hikes should be granted to all of the railway workers. Up till now, some 25% of the railway workers were not granted any annual pay boost on the ground that they did not deserve any raises. The union, diagonally opposed to the management view,

maintains that regular annual pay raises should be granted to all of its members on the ground that it is not reasonable that the management alone should decide which one of the members deserves pay raise, while the other does not. Although this is the superficial reason why the National Railways Workers' Union is hardening against the management, the real reason lies deeper underneath. The labor policy of the Government has been steadily strengthened since Mr. H. Ishida took the office of Labor Minister and recently the labor unions, especially those in the government and public corporations, have been so squeezed up by the strong government labor policies that they can find no way out except by fighting furiously against those policies. Their slogan now is: Fight or bust.

Hard Sailing for both Management & Labor:—At this drastic turn of events, Mr. K. Fujibayashi, chairman of Public Corporations and Government Enterprises Labor Relations Mediation Committee, decided to extend his helping hand to solve the pressing issues. The mediation plan is not yet published at this writing but the probable contents of the plan is not so hard to guess. It will advise both management and labor to re-establish bargaining relationship, which has long been interrupted since the election by the union of expelled officials to their former union posts. If the management agreed to bargain, the mediation plan would run, the union should not be represented by the expelled officials. Management should agree to grant annual regular pay raise to 90% of all the railway workers. Both management and labor have given secret nod to the above three points. The hardest nut to crack is the fourth proposal, which advises the union to change their executives at its next meeting, since they had been officially expelled by the authorities. The union maintains that this is the interference by Mr. Fujibayashi of the union's internal affairs and intends to shelve the proposal. Hard sailing is still predicted for both management and labor.

As for the private enterprise unions, *Sohyo*-backed Coal Miners Union called for a "sympathy" strike to help the Kaijima Coal Mine Union in Kyushu to win its demands for higher retirement allowances and improved medical care for member patients down with the case of silicosis. This, however, is a thinly clothed test balloon for the Coal Miners Union proper to feel how the wind would be blowing in the coming year-end labor offensive season.

Foreign Trade

Foreign Exchange for Expenditure of 2nd Half 1957

The government on Sept. 26 decided to frame the amount of foreign exchange to be spent during the second half of fiscal 1957 (Oct., 1957-Mar., 1958) as follows:

\$1,652 million (including reserve amounting to \$80 million) for imports of commodities (of which \$330 million are to be automatically approved), \$357 million (including \$30 million as reserve) for invisibles, totaling \$2,009 million.

This is less than the final framing of foreign exchange spending for the second half of fiscal 1956 by \$831 million, and still less than the initial plan for the first half of fiscal 1957 by \$584 million. Since the second half of fiscal 1954 the amount of expenditure in foreign exchange as it was budgeted has been growing, but this time it receded nearly to the midway house between the second half of fiscal 1955 and the first half of 1956.

But in the first half of 1957 for which initially \$2,236 million was budgeted, actually \$1,710 were allocated to slow down the rapid decrease in the holdings of foreign exchange. Therefore, compared with the actual allocation, the present foreign exchange budget shows a decrease of only \$60 million.

The \$357 million for invisibles means a decrease of \$69 million from the second half of 1956 (the final estimate) and a decline of \$50 million from the first half of 1957 (the initial estimate). The biggest item of invisibles is \$154 million for transport, which also shows a \$30 million cut.

1 IMPORT PLAN (\$1,000)

	2nd Half 1957	2nd Half 1956
Foodstuffs	259,830	303,847
Salt & tobacco	8,116	10,209
Lumber	6,000	12,869
Materials for daily goods	17,569	23,160
Textile materials	379,640	456,639
Fertilizer	16,384	41,045
Coal	49,363	68,997
Iron & Steel (materials & products)	68,500	379,075
Non-ferrous metal Non- metal minerals	28,283	117,427
Petroleum	96,224	129,717
Chemicals	12,721	9,461
Pharmaceuticals & medical supplies	2,741	2,663
Machinery	150,000	268,000
Processing Trade		
Materials	37,000	39,000
Barter	31,000	20,000
For U.S. Army	5,000	5,000
Contingent	1,500	1,000
Miscellaneous (1)	42,138	43,321
Miscellaneous (2)	30,000	38,000
Automatic Approval ..	330,000	513,455
Reserve	80,000	0
Total	1,652,000	2,483,176

Source: MITI.

The chief reason for the cut is the government's estimate of decreased imports and declined freightage.

Thus the present plan for spending foreign exchange for the second half of 1957 clearly shows marks of reduction. Most of commodities are scheduled to be imported in a reduced amount compared to the previous terms. The most conspicuous among them is iron & steel. Steel which amounted in the final plan for the second half of 1956 to \$154 million and in the initial plan for the first half of 1957 to \$127 million completely disappeared in the present government's estimate of expenditure.

Pig iron amounting in the second half of 1957 to \$30 million and in the first half of 1951 to \$29 million also got out of sight in the present plan. Coal for steel manufacture which loomed at \$70 million in the first half has been cut down to \$47 million for the second half. Electrolytic copper which had \$10 million in the first half estimate is now to receive none.

Not all commodities are to get a reduced foreign exchange allocation in the second half as against the first half. The allocation for Rice rose from ¥9 million to \$76 million. Also the allocation increased for cotton and wool. However, these increases were made because these items are seasonally imported in the second half. Compared with the corresponding term of 1956, cotton declined by \$37 million and wool by 45 million. (On the other hand, rice is to get a big increase because a greater demand is estimated for the revision of ration system as from October 1, 1957).

Another point to be noticed in the foreign exchange plan for the second half is the reduction of imports by automatic approval. Commodities to be automatically approved have been on the increase term by term. In the final framing of estimated amount of expenditure for each half of fiscal year, automatic approval has been increasing as follows: first 1954 \$141 million, second 1954 \$175 million, first 1955 \$190 million, second 1955 \$236 million, first 1956 \$352 million, second 1956 \$513 million. Now in the initial framing for the first half of 1957 it declined slightly to \$497 million, and in the second half it further decreased to \$330 million.

Import Plan for Major Items

The reduced scheme for imports may give rise to a question if enough supply can be maintained. But a close examina-

tion of conditions of demand and stocks reveals that such anxiety is unfounded for most of important commodities. The \$80 million reserve will probably remain untouched till the end of the term. Even some items are expected to be imported less than their estimates. The import plan for major items follows.

Rice... In spite of the bumper crops consecutive for three years the government plans to buy for fiscal 1957 620,000 tons of rice from abroad (of which the second half shares 540,000 tons), an increase of 40% over the previous year. The increase was unavoidable for two reasons. First, the revision of ration system as from October 1, 1957 will require more rice from China and Formosa. Second, notwithstanding the stocks already amounting to Japan's consumption of rice from abroad (except China and Formosa) for two years, the government had to continue buying large quantities of rice from Thailand, Burma, etc. in order to increase Japan's exports to these areas. Of the estimated 540,000 tons of rice, the majority (about 400,000 tons) is planned to be imported from China and Formosa, and the rest from Thailand, Burma, etc.

Wheat... 2,040,000 tons for fiscal 1957 (1,020,000 tons for the second half). Classified by countries, 940,000 tons from America, 840,000 tons from Canada, 190,000 tons from Australia, and none from Argentina for the price is higher than the international level.

Barley... 780,000 tons for fiscal 1957 (410,000 tons for the second half). By countries, 290,000 tons from the United States, 220,000 tons from Canada, and 270,000 tons from Australia. There is little change in the amount compared with the previous year.

Soy beans... 750,000 tons for fiscal 1957 (300,000 tons for the second half). In the first plan 370,000 tons were to be purchased during the second half but 70,000 tons were cut (of which 50,000 tons may possibly be unpurchased.) The first plan of purchase for the whole fiscal year amounted to 850,000 tons. So the present figure shows a considerable cut. However, when the addition of the left-over from fiscal 1956 amounting to 70,000 tons is put into consideration, a shortage of supply that would cause a rise in price seems unlikely.

Sugar... 950,000 tons for fiscal 1957 (430,000 tons for the second half). This is a considerable reduction compared to the amount purchased during fiscal 1956 that totaled 1,370,000 tons. But the remainder

2. SUPPLY & DEMAND ESTIMATES

Article & Units	Fiscal year	Demand		Supply		
		Con- sumption	Stock in Term-end	Stocks in Term- beginning	Domestic	Imports
Rice (1,000 tons)	1957	4,578	3,667	3,810	3,997	438
	1957 1st	3,006	2,272	3,687	1,530	81
	2nd	1,998	2,357	2,272	2,540	540
Wheat (1,000 tons)	1956	2,594	1,271	1,105	535	2,225
	1957 1st	1,394	1,423	1,191	522	1,024
	2nd	1,350	1,091	1,423	—	1,018
Barley (1,000 tons)	1956	1,417	682	531	649	919
	1957 1st	719	915	682	579	373
	2nd	750	576	915	0	411
Soy beans (1,000 tons)	1956	841	269	123	343	767
	1957 1st	547	222	269	327	442
	2nd	410	276	222	378	308
Sugar (1,000 tons)	1956	1,168	493	226	65	1,370
	1957 1st	556	457	493	—	520
	2nd	572	324	457	89	430
Iron ore (10,000 tons)	1956	11,524	3,580	2,601	4,686	7,817
	1957 1st	6,477	4,402	3,580	2,564	4,735
	2nd	6,348	4,313	4,402	2,446	3,813
Scrap iron (1,000 tons)	1956	9,533	2,223	1,155	7,005	3,596
	1957 1st	5,251	1,542	2,223	3,540	994
	2nd	4,445	1,393	1,542	3,480	816
Coal for iron & steel (1,000 tons)	1956	3,120	1,312	1,276	—	3,156
	1957 1st	1,827	1,337	1,312	—	1,852
	2nd	1,852	1,234	1,337	—	1,749
Cotton (1,000 bales)	1956	2,569	1,366	1,355	—	2,630
	1957 1st	1,369	907	1,366	—	910
	2nd	1,155	852	907	—	1,100
Wool (1,000 bales)	1956	1,098	738	547	29	1,260
	1957 1st	611	490	738	25	338
	2nd	376	685	490	5	568
Crude oil (10,000 barrels)	1956	7,898	3,233	1,415	220	9,501
	1957 1st	4,744	2,375	3,238	101	3,780
	2nd	4,552	2,191	2,375	107	4,261
Heavy oil (1,000 kl)	1956	7,522	1,325	761	5,685	2,401
	1957 1st	4,520	2,591	1,325	3,607	1,932
	2nd	4,760	1,699	2,591	3,468	400

Source: Compiled by *Oriental Economist*.

of the fiscal 1956 purchase amounting to the tune of 420,000 tons will probably keep the same level of amount in supply. Of the 430,000 tons for the second half 50,000 tons will probably be left unpurchased unless there appears a sign that indicate a rise in the price of sugar.

Salt... 1,400,000 tons for fiscal 1957 (770,000 tons for the second half). Here too a great cut is apparent when compared with the first plan at the outset of the fiscal year which estimated the amount for the whole year at 1,860,000 tons.

The reduction was made in response to decreased output of caustic soda accompanying the reduced hours of operation in the chemical fibers industry as well as to minimize the overstocking of salt for industrial use. But salt is one of the basic materials for industry, so any sign of its shortage will readily guarantee an additional import.

Cotton... 2,010,000 bales for fiscal 1957 (1,100,000 bales for the second half). This is also a great reduction from the first plan that accorded 1,400,000 bales for fiscal 1957. The reduction is made in order to level off the stocks of both cotton and cotton goods. If the levelling off of the stocks of cotton goods by adjusting the production is not carried out as the government plans, a shortage of cotton supply may not be avoidable during the period between January and March, 1958.

Wool... 950,000 bales for fiscal 1957 (570,000 bales for the second half). A reduction of more than 30% from the first plan's 1,300,000 bales. The amount in present plan is clearly short for satisfying the existing capacity of the industry. But the mill is not working at full stretch at present and the reduction is to be welcomed as a good measure helping to restore the balance of supply and demand for the depressed wool market.

Iron ore... 8,550,000 tons for fiscal 1957 (3,810,000 tons for the second half).

Scrap iron... 1,810,000 tons for fiscal 1957 (820,000 tons for the second half). No pig iron and rolled steel are to be imported in the second half in the present plan, because they are now on the side of overproduction. The present plan for importing materials for the iron and steel industry is made according to the curtailed production program.

The iron & steel industry which once desperately needed supply of materials in fiscal 1956 now gets more materials than it requires. The oversupply appeared as a result of a large amount of rolled steel imports and slowing down of the feverish investment in the industry as a result of the stringent financial policy of the government. Therefore, the Ministry of International Trade and Industry curtailed the production scheme of iron and steel for fiscal 1957, to 6,700,000 tons of blast

furnace pig iron and 8,890,000 of rolled steel.

Petroleum... The foreign exchange allocation for the second half of fiscal 1957 gives \$8,547,000 of crude oil and \$8 million of heavy oil, totaling \$9,622,000. Another great cut to the first plan at the outset of the fiscal year which estimated the total purchase of petroleum in the second half at \$1,400,000.

The market for petroleum products was depressed during the first half of fiscal 1957 under the pressure of overstocking. In addition, the tight-money policy will reduce the production in the second half. So no great shortage of supply of crude oil seems likely.

Trade in September

Exports as registered in the customs statistics in September totaled \$259 million, an increase of \$2 million over the previous month, and imports amounted to \$320 million, a decline of as much as \$43 million. Thus the excess of imports over exports broke the \$100 million level to get down to about \$61 million for the first time since the turn of the year. On the other hand, foreign exchange receipts amounted to \$289 million and payments to \$344 million, leaving the deficit at \$55 million, an improvement of \$14 million over August.

Exports which registered a record high amounting to the tune of \$250 million now declined to the level of March and April. Exports of ships, iron & steel, marine products, etc. were all comparatively slack. Imports, after the peak of \$367 million in July, steadily declined to drop to \$305 million in September. The decline of imports instead of a growth of exports helped the payments situation. However, the real balance of payments after adjusting the deferred payments reached \$19 million to Japan's favor. The favorable balance was the first in ten months since November, 1956. Thus the payments situation tends to improve and it is hoped that the formal balance too will be favorable for October

3 FOREIGN EXCHANGE

	(\$1,000,000)			
	Sept., 1957	(e)	Apr.- Sept., 1957	Apr.- Sept., 1956
Receipts	289	-32	1,819	1,630
Exports	220	-30	1,369	1,217
Invisibles....	69	-2	450	413
Special pro- curement ..	43	-3	289	299
Payments.....	344	-46	2,313	1,498
Imports	305	-37	2,006	1,251
Invisibles ..	39	-9	307	247
Balance	△55	14	△494	132
Commodity trade.....	△85	7	△637	△34
Invisibles ..	30	7	143	166
Deferred pay- ments	-74	-13	-136	114
Net balance....	19	27	△358	18

Source: Bank of Japan.

Note: (a) Comparison with August, 1957.
△ Deficit.

Investment Outlook

Toyota Motor

Toyota Motor Co., Ltd. (capitalized at ¥6,688 million) is the largest manufacturer of automobiles in this country, leading other motor companies in the scale of equipment and the size of production. One of the most noteworthy features of this company is that it has attained its present position literally on the strength of its own endeavors without any aid from overseas, either technical, financial or otherwise. The origin of Toyota Motor is traced back to an automobile branch inaugurated within Toyota Automatic Looms Works, Ltd. in December, 1928 by the late Mr. Sakichi Toyota, the founder and noted inventor. Mr. Kiichiro Toyota, the eldest son of the founder, succeeded to his father's project and the automobile branch made a sound growth. In August, 1937, this branch was incorporated into an independent company with a capital of ¥12,000,000 under the name of Toyota Motor Co., Ltd. to embark on the production of automobiles on an industrial scale. It was, however, after the construction of a full-fledged automobile plant in Koromo, Aichi Prefecture in 1938 that the Company began to make concrete advance in Japan's automobile industry. At the time of its inauguration, the annual production capacity of the Company was restricted to 6,000 cars including 2,500 passenger cars, 1,000 buses and 2,500 trucks, but it manufactured 16,302 cars in 1942, its wartime peak. In February, 1940, the Company established North China Motor Industrial Co. in Tientsin and also created Central China Toyota Motor Industrial Co. in Shanghai in January, 1942 in a positive attempt to advance to the China Continent. Further in May, 1941, the Company separated its machine tools department which was incorporated into an independent firm under the name of Toyota Machine Tools Co., Ltd., a ¥200 million concern. In November, 1943, it absorbed Chuo Spinning Co., one of its subsidiaries, under the wartime Industrial Readjustment Law. In August, 1945, it again separated its body department to establish Toyota Motor Body Co., Ltd. Its postwar recovery was sound and speedy and its annual capacity recovered to 11,706 cars in 1950 when auto production was decontrolled. To cope with the postwar depression in automobile industry, the Company closed its Shibaura and Kamata plants as part of its rationalization project in June, 1950. A few months before, in April, 1950, the Company also separated its sales department for the organization of Toyota Motor Sales Co. (now capitalized at ¥2,000 million). Meanwhile, the Company reorganized its three plants into independent concerns in November, 1949 under its industrial reconstruction plan. Thus, its Kariya plant was incorporated into Nippon Denso Co., Ltd. (now capitalized at ¥900

million), its Nakagawa plant was made independent under the name of Aichi Enamelled Iron Ware Co., and its Kariya-Minami plant emerged as Minsei Spinning Co. in May, 1950 (now capitalized at ¥840 million). With the outbreak of the Korean War and on the strength of increasing special procurements which resulted, the production and sales of the Company have been rising steadily since 1951. The annual production, sales and profits since 1950 are shown in the table. Parallel with the improvement of business results, the Company has endeavored to rationalize its equipments under several revamping programs, with equipment investments since 1951 reaching some ¥7,000 million. In the course of such rationalization plans, all key departments of the Company, including body coating, body pressing, assembling and equipping, were markedly modernized. At the time of the 1950 depression, the Company carried out a drastic personnel curtailment to reduce its labor force to about 5,700 men. As of May, 1957, its personnel was still comparatively small at 5,915. Meanwhile, the monthly production in 1950 stood at about 1,000 cars, but rose to 7,000 cars in 1957. It may thus be noted that the per-worker production has been increased by about seven fold during the interim. During the past several years, the Company has been introducing a number of new models, particularly of passenger cars. The first new model introduced was the SA-model Toyopet 5-seater passenger car marketed in June, 1947. The latest achievements were the 6-seater passenger cars of the international level—the Crown and the Master introduced in 1955. They were closely followed by the debut of the Crown de Luxe and the Toyopet Corona, two models good enough to compete with any selected foreign cars. The monthly production of passenger cars by the Company in recent months reaches 1,500 cars or some 50% of the national total. The Company is also reputed for the manufacture of midget trucks now marketed under the name of Toyo-Ace (one-ton: 30 H.P.), which is being manufactured at the monthly rate of 4,000 cars, or 62% of the national total. The Company also manu-

factures the Toyota Truck (5 tons: 105 H.P.) and the Toyota Diesel Truck (5 tons: 110 H.P.). Inclusive of all models, the July (1957) output of the Company totalled 7,800 cars or 52% of the national total, far outracing the second-ranking Nissan Motor by about 2,000 cars. The Company is now engaged in the test manufacture of a popular (low-priced) car with the first test model already completed. This new Toyota popular car is due to make its debut by early 1958. Toyota Motor Co., Ltd. is engaged only in manufacturing automobiles, as all sales operations are placed under charge of Toyota Motor Sales Co., Ltd., established in April, 1950. This firm, now capitalized at ¥2,000 million, will grow into a ¥3,000 company in February, 1957. Toyota Motor Sales, Ltd., besides taking the exclusive charge of the sales of Toyota Motor's products, also is engaged in the sales of lubricating oil and gasoline through a business tieup with Standard Oil, Toyota Motor Sales operates through its 103 local sales agencies. Toyota Motor Sales, which is exporting some 300-400 Toyota cars to Okinawa, Formosa, Thailand and other Southeast Asian countries and South and Central Americas monthly, is now ready to advance to the U.S. market through the opening of a sales company incorporated in Los Angeles under American law with a capital of \$100,000. With the initial sales goal set at 200 Crown de Luxe models monthly, the new company aims at distributing about 1,000 popular cars in the U.S. market monthly through Los Angeles and San Francisco in the near future.

TOYOTA'S PRODUCTION, SALES & PROFITS

Year	Production (Cars)	Sales (million yen)	Profit before tax (million yen)
1950.....	11,706	4,778	32
1951.....	14,228	10,124	733
1952.....	14,106	13,282	1,403
1953.....	16,496	13,515	1,520
1954.....	22,713	18,613	1,691
1955.....	22,786	16,961	1,439
1956.....	46,417	81,642	2,951
*1957.....	35,651	24,863	2,289

*First half alone given.

Hitachi Shipbuilding & Engineering

Hitachi Shipbuilding & Engineering Co., Ltd. originated from Osaka Iron Works, one of the oldest shipbuilders in this country with its establishment traced back to April, 1881. In 1914, Osaka Iron Works was incorporated into a joint-stock company (capitalized at ¥6,000,000) and erected six slipways for 10,000-tonners and five stocks for 5,000-tonners. At that time, the Company had the annual shipbuilding capacity of

75,000 D/W with 14,000 workers in employment. In 1928, the Company placed itself under the control of Nippon Sangyo K.K. (the nucleus of the now-defunct Nissan Konzern) and operated under the name of Nippon Sangyo's Osaka Iron Works. In 1936, Nippon Sangyo transferred Osaka Iron Works' shares to Hitachi, Ltd., and the Company was renamed Hitachi Shipbuilding & Engineering in March, 1943.

After the war, the Company established a large-scale laboratory at its Sakurajima dockyard in an effort to elevate its technical standard to the international level. Two of the largest achievements of the Company's efforts towards higher technical efficiency were the acquisition of the sub-license for the manufacture and sales of B & W type diesel engines from Burmeister & Wain of Denmark (primary license held by Mitsui Shipbuilding & Engineering) in 1950 and the conclusion of a technical tieup contract with Kennedy & Co. (U.S.) for the construction of cement plants in 1954.

The annual capacity of Hitachi Shipbuilding & Engineering includes 220,000 G.T. of new ships (second only to Mitsubishi Shipbuilding & Engineering), and 2,500,000 G.T. of repairing (first in Japan). Its annual production of diesel engines is expected to be boosted to 150,000-160,000 H.P. in the near future (next only to Mitsui Shipbuilding & Engineering).

The postwar recovery of the Company, comparatively slow until 1949, became notably accentuated following the outbreak of the Korean War in 1950. The Company successfully managed to tide over the period of reactionary depression from 1953 through 1954 which hit Japan's shipbuilding industry, and found itself in the limelight again with the advent of another shipbuilding boom which was in swing in 1955 through 1956.

The backlog of orders held by the Company as of August, 1957 amounted to about ¥75,400 million, as compared with the peak of ¥90,000 million at the start of the current fiscal year, as orders reaching some ¥15,000 million were executed during the five months, April to August. April-August deliveries included ¥9,200 million worth of newly-built ships, ¥3,000 million worth of repaired ships and ¥2,800 million worth of other items. The orders

outstanding as of the end of August (worth ¥75,000 million) are divided into ¥69,500 million worth of new ships, ¥4,500 million worth of chemical machinery and iron-steel products, and ¥1,400 million worth of other items. Forty-four new ships aggregating 920,000 D/W (600,000 G/T) are to be constructed by the Company to cover outstanding orders. These new ships include 21 export ships and 19 domestic vessels. Export ships are further broken down into 16 tankers (2 ships of 65,000 D/W each, 5 of 47,000 D/W each, 6 of 33,000 D/W each and 3 of 20,000 D/W each) and five cargo boats aggregating 90,000 D/W, while domestic vessels include five ships totalling 70,000 D/W to be built under the state shipbuilding program (with governmental subsidies) and 14 ships aggregating 140,000 D/W to be constructed exclusively at the expenses of shipowners.

Shipowners of about 20 different foreign countries are on the list of overseas customers of Hitachi Shipbuilding & Engineering, well indicative of the high reputation enjoyed by the Company among shipowners abroad. Export ships yet to be built to fulfil the outstanding orders are bound for the United States, Great Britain, Panama, Liberia, the Netherlands and Venezuela. Among the orders already executed were those from the Soviet Union, ROK, the Philippines, Indonesia, Burma, India, Italy, Norway, Argentina, Brazil and Pakistan, while inquiries have been received from Russia and Communist China for large cargo boats and floating canneries. The sales for the half-year period ended March, 1958 are estimated to stand at about ¥17,500-17,600 million while the proceeds for the ensuing few terms are expected to exceed the ¥20,000 million mark with the profits well reaching ¥1,500 million. On the strength of favorable sales, the Company is reported planning to increase capital by 50% in the near future.

HITACHI SHIPBUILDING & ENGINEERING MAJOR PLANTS

Shipyards	Specialities	Major Equipments
Sakurajima (Osaka)	Shipbuilding and repairing; engines, steel frames, chemical machinery & equipments	4 stocks 1 dock
Shikko (Osaka)	Ship-repairing, large cast-forged steel products	2 docks
Innoshima (Hiroshima)	Shipbuilding and repairing, diesel engines	4 stocks 5 docks
Mukaishima (Hiroshima)	Shipbuilding and repairing, steel products	2 stocks 3 docks
Kanagawa (Kanagawa)	Wooden shipbuilding, chemical machinery, ship-repairing	1 dock

BUSINESS RESULTS OF HITACHI SHIPBUILDING & ENGINEERING (In ¥1,000)

Terms Ended	Sales	Profits	Profit Rate (%)	Dividend Rate (%)
1955: September	7,102,968	356,690	23	10
1956: March	9,400,099	505,081	32	12
September	13,118,804	708,474	44	15
1957: March	16,748,483	1,114,656	47	15
*September	17,500,000	1,253,000	52	15

*Estimates.

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Hitachi, Ltd.

Hitachi, Ltd. (founded in February, 1920 and capitalized at ¥15,000 million) is one of the foremost manufacturers of heavy electric machinery in this country operating on an integrated basis. The Company made its debut in 1910 as a repair shop attached to the Hitachi Mine of Kuhara Mining Co. (the present Nippon Mining). In 1920, the repair shop was incorporated into an independent ¥10 million joint-stock company under the name of Hitachi, Ltd. to start manufacturing electric machinery and industrial equipments at two factories at Hitachi (Ibaragi Prefecture) and Kameido (Tokyo Prefecture). Later, the specialties of the Company were steadily diversified through expansion and amalgamation, and the Company grew into a ¥700 million organization at the time of the termi-

nation of the Pacific War. After the war, the Company carried out six capital expansions to boost its capital to the present ¥15,000 million. At present, Hitachi, Ltd. possesses 14 plants (including sub-factories) and two laboratories and employs 24,648 workers. Many and various are the products of Hitachi, Ltd., the list of its specialties including heavy electric machinery (such as water turbines, generators and transformers), household electric appliances (like refrigerators, washing machines and electric fans), communication equipments and virtually almost all other varieties of electric machines, industrial machinery, rolling stocks, chemical products, metal raw materials and electric insulating materials, as shown in the following chart:

SPECIALITIES OF HITACHI, LTD.

Item	Major Products	Plants	Production (% in total) Oct., '56-Mar., '57
Prime movers	Water-wheels, boilers, steam-turbines, diesel-engines, vaporizers	Hitachi, Kasado, Taga	5.3%
Heavy electric machinery	Generators, motors, switch-boards, circuit-breakers, controllers, rotary-converters, mercury-rectifiers, transformers, induction-regulators, condensers	Hitachi, Taga, Kameido	32.4%
Light electric machines & measuring machines	Electric fans, washing machines, pumps, vacuum cleaners, refrigerators, T.V. and radio sets, metres, electron microscopes, X-ray tubes, physico-chemical instruments, etc.	Taga, Kameido, Tochigi, Totsuka, Mobara	19.7%
Communication equipments	Telephones, switch-boards, wireless apparatus, conveyors, receiving and transmission tubes, braun tubes	Totsuka, Mobara	7.8%
Industrial machinery	Cranes, pumps, civil engineering machines, construction machines, hoists, coal mining machines, chemical instruments, rollers, compressors, ventilators, pneumatic conveyors, freezers, printing machines, machine tools, arc-welding machines, elevators, escalators	Hitachi, Kameido, Kawasaki, Taga, Kameido, Tochigi	21.9%
Rolling stock	Electric-engines, steam-engines, diesel-engines, coaches, wagons, trolley buses, cable cars, etc.	Nikko, Kasado	7.5%
Metal materials, insulating materials, etc.	Cast iron products, cast or forged steel products, insulating paints, synthetic resin products, mica plates, etc.	Hitachi, Kameido, Kawasaki, Taga, Nikko	5.4%

This company has been traditionally upholding the policy of developing and adopting domestic techniques. On the basis of this policy, the Company in 1934 established the Hitachi Laboratory and later opened the Central Laboratory in 1942 in order to make integrated studies of technological sciences and researches in the ways and means of their applications. The Central Laboratory is also engaged in the manufacture of transistors and diodes. All other factories of the Company are equipped with laboratories either large or small in scale. Hence, the results of the studies and researches of these laboratories are encouraging. As of the end of March, 1957, the Company held 1,444 patent rights, 4,370 utility-model patents, 226 trade-mark rights and 119 design rights. The Company also possesses a number of foreign industrial ownerships including eight patent rights registered in the United States, and 68 trade-mark rights registered in the U.S., Argentina, India, Chile, Peru, Canada, Egypt and Brazil.

Since the war's termination, Hitachi, Ltd. has concluded several technical tieup contracts with leading foreign firms in an

attempt to induce advanced foreign techniques into this country. Outstanding among them are the following: 1) A contract with Radio Corporation of America (RCA) for the use of its patent rights and the receipt of technical information pertaining to electron tubes and semi-conductors. This contract stands good for the period of 10 years from May, 1952: 2) A contract with International General Electric Co. (IGE) for the use of its patent rights and the receipt of technical information pertaining to steam turbines for power generation, generators and parts thereof, steam turbines for ships and parts thereof for the period of about nine years starting from March, 1953: 3) A contract with Transit Research Corporation (TRC) for the use of its patent rights and the receipt of technical information pertaining to PCC cars. This contract is valid for the life of the patent rights concerned starting from March, 1953: 4) A contract with Western Electric Co., Inc. for the use of its patent rights and the receipt of technical information pertaining to transistors, photo-transistors and diodes for the period of 10 years as from October, 1954: 5) A

contract with National Malleable & Steel Casting Co. for the use of its patent rights and the receipt of technical information pertaining to truck frames for rolling stock, train couplers and other parts of rolling stock. This contract is good for 20 years as from September, 1951: 6) A contract with Canadian Nickel Products, Ltd. for the use of its patent rights and the receipt of technical information pertaining to magnesium-containing cast iron for the period of 15 years starting March, 1953: 7) A contract with the Steel Company of Australia, Pty., Ltd. for the use of its patent rights and the receipt of technical information pertaining to cast-iron wheels for rolling stock for the period of five years as from April, 1956: 8) A contract with Maschinenfabrik Augsburg-Nuernberg A.G. for the use of its patent rights and the receipt of technical information pertaining to diesel engines for the period of 10 years starting January, 1957: and 9) A contract with Foster Wheeler Corporation for the use of its patent rights and the receipt of technical information pertaining to condensers, feeders and heaters for the period of 10 years from February, 1957. Hitachi products are marketed in Japan through its six branches, four sales stations and five depots while about 300 special agents also handle all Hitachi lines. The Company also caters to overseas markets through its four overseas branches stationed at New Delhi, Buenos Aires, Sao Paulo and Taipeh. During the half-year period from October, 1956 to March, 1957, the Company's sales totalled ¥33,600 million (including the products of its subsidiary firms sold on consignment), inclusive of ¥2,300 million (7.0%) worth for export (also including export products consigned by Hitachi Metal Industrial and Hitachi Electric Wires and Cables). Major products on the list of sales during the period under review included a 33,000-KW water-wheel and a set of generators bound for Tohoku Electric Power, a 15,000 H.P. ship turbine and a boiler bound for Hitachi Shipbuilding & Engineering, seven electric engines for the Japanese National Railways, etc. During the same term, the Company also exported 20 YL-type electric engines, 33 freight cars and nine ceiling cranes to India and a 250-ton refrigerator and five 120 H.P. compressors to Burma. On the list of orders received from abroad during the term were those for two sets of 12,500 H.P. water-wheels and generators and for two sets of 100,000 KVA three-phase transformers from India, for five 950-H.P. diesel engines from Thailand, and for three sets of 40,000 H.P. water-wheels and generators from Burma.

The shares of Hitachi, Ltd. are widely distributed among different sectors. As of March, 1957, they were divided into 29.4% held by banking and other monetary institutions, 3.3% owned by securities merchants, 3.5% possessed by other juridical persons, 0.4% held by aliens (648 holders owning a total of 788,000 shares) and 63.4% held by other quarters. Classified by the size of shareholders, those possessed by holders of 100,000 shares or more accounted for 32.9% of the total number of issued shares while those owned by holders of over 5,000 but less than 1,000 shares took 32.6% with those possessing 500-1,000 shares accounting for 16.1%. Those possessing more than 100,000 shares are mostly banking institutions, thus making the financial conditions of the Company well stabilized. For the half-year term ended March, 1957, the Company garnered the profits of ¥2,400 million and gave a 15% dividend.

Book Review

An Anthology of Modern Japanese Poetry.

Edited and translated by Ichiro Kono and Rikutarō Fukuda. Kenkyusha, Tokyo, 1957. pp. XL & 173. ¥280.

With its painstaking introduction of fifty pages and a collection of deftly translated specimens from about a hundred modern Japanese poets, the present volume constitutes the most comprehensive attempt at introducing to Western readers a strange and bewildering world.

Little of the serenity and the sureness of imagery which Westerners usually associate with their idea of Japanese lyrics emerges from these pages. The reader gains the impression of a literature in the painful state of transition and is reminded of the remark of Mr. Shuichi Kato at the recent PEN Congress in Tokyo that modern Japanese poetry has produced nothing worth mentioning, although there are again pieces which belie so sweeping an assertion.

Nevertheless, one thinks that the compilers might have contrived to make the confusion appear less confounded. An arrangement of authors according to generations, schools or themes might have shed more light on what is, obviously, an intensely dynamic development within a few decades, while the alphabetical grouping is meaningless to a reader unfamiliar with all these names.

What one would really expect from an anthology of verse issued by Japanese editors through a Japanese publisher is an effort on the lines of Arthur Waley's *Uta*: a few specimens of Japanese originals, with a brief vocabulary and notes and a translation as literal as feasible. Nevertheless, in spite of its awkward organization and the occasionally rather wooden rendering this anthology is to be welcomed as a stimulus and a challenge.

(J. Roggendorf)

The Poetry of Living Japan. An Anthology with an Introduction by Takamichi Ninomiya & D. J. Enright.

John Murray, London, 1957. pp. 104. 8s.6d.

At the International PEN Congress held in Tokyo in September, 1957, the enormous difficulties to be overcome in translating Japanese literature into western languages were pointed out and the necessity to train good translators was stressed. This news was still fresh in my mind when I received this anthology. I feel the book comes near to achieving what the PEN Congress advocated. The result of the editors' efforts is indeed a most appropriate contribution we could possibly hope for within a scope of the available resources.

Upon hearing that the book to be reviewed is an anthology, what first roused my interest was the problem of culling limited number of poems from the inexhaustibly rich field of modern Japanese verse. The selection by the editors seems to have depended too much on Mr. Ninomiya, the collaborator, and is thus regrettably unsuccessful in escaping the all too common run-of-the-mill type of compilation by Japanese. The Introduction and the Biographical Notes are on the whole fair and painstakingly prepared.

The important question concerns the art of translating Japanese poetry. The translated poems in this anthology are no doubt "re-creations." Mr. Enright's interpretations, however, betray a certain lack of balance, sometimes rather too free and then again too timid as they are. The re-creating might have been left entirely in his hands. It shows a peculiar lack of sensitivity on the part of the editors to have placed on the cover the Chinese characters 新体詩 *Shintaishi* which simply does not fit the majority of the poets in this anthology. The word is in fact resented by contemporary poets.

(G. Uda)

Japanese Decorative Design.

by Taiji Maeda and translated by Rokuo Okada.

Japan Travel Bureau, Tokyo, 1957.

pp. 157 with a frontispiece in color and 122 photographs in black and white. ¥500 in Japan; \$3.00 abroad.

Each nation has its own decorative design; some of them are simple and crude, while others are elaborate and artistic. Those of Japan, especially the old ones, which are seen on the art objects and utensils that have been treasured by museums and wealthy families, are conspicuous for the infinite variety and highly Japanese artistry that have always been an inexhaustible source of inspiration for Japanese and Western designers of architectural decorations and of patterns for clothing, porcelain, metal and other artistic works.

In this profusely illustrated book the author has made a selection of the more typical designs and classified them under ten headings, including human beings, birds, animals, insects, plants, and natural scenery. His descriptions about these designs are both readable and informative, covering their styles and techniques, as well as the period which formed their background.

Descriptions concerning the historical development of the decorative designs from the Neolithic age to the present are also given in the book, together with the influence of alien designs on the native, as well as the influence which the Japanese mode of living and other factors have had on the native designs.

The author, Mr. Taiji Maeda, is a lecturer at the Tokyo University of Arts, and distinguished scholar in the field of Japanese arts and decorative designs.

(K. Yabuki)

Chugoku no Nogyo

(The Agriculture in China) (in Japanese) by Kinichi Yoshioka. Toyo Keizai Shinpo Sha, 1957. pp. 215. ¥290.

This book is a result of the author's recent visit to many parts of China for several months. The work is written from a point of view that is a unified approach of natural and social sciences. The author contrasts the still relatively low level of development in natural sciences and industrial techniques with the high level of theories in social sciences and effective government plannings supported by the disciplined public morale.

After describing the general conditions of agriculture in China in the first chapter, the author traces the course of rapid progress after the liberation. In the third and fourth chapters, he tries to find the reasons why such progress was possible in the land reform and the collectivization. In the remaining two chapters the advance of industrial techniques is viewed by examining constructions for water control and irrigation schemes.

(A.S.)

Chugoku no Saiban

(Legal Procedure in China) (in Japanese) by Masao Fukushima, Naokichi Ubukata, and Ryoichi Hasegawa.

Toyo Keizai Shinpo Sha, 1957. pp. 218. ¥290.

This joint work tries to answer such questions as how the present legal procedure differs from that of the pre-Communist China, and what are the organization and the operation of legal procedure in the people's democracy.

Though the work occasionally fails to demonstrate what it theorizes, the balanced view that includes both merits and defects of the legal procedure which is yet in a formative stage offers a valuable help in getting realistic information on the structure of Communist China as well as in comparing legal procedures of various countries.

(A.S.)

1. Business Indices

Items	Units & Standards	1954	1955	1956	1957						1956
		Average	Average	Average	Apr.	May	June	July	Aug.	Sept.	Sept.
Finance & Banking											
Treasury Acct. with the Public (6).....	Fiscal Year -	1,900	2,766	1,634	205	236	1,046	171	467	374	51
Bank of Japan Accounts (1) End of Year or Month	¥100,000,000										
Bank Note Issue	¥100,000,000	6,220	6,738	7,848	6,837	6,390	6,771	6,635	6,533	6,535	5,995
Loans Total	"	2,432	319	1,399	2,726	3,243	4,754	4,838	5,212	5,629	913
Foreign Exchange Loans	"	218	127	30	14	7	7	0	0	0	5,762
Government Bonds	"	4,835	5,536	5,867	3,619	2,997	2,179	2,431	2,331	2,047	4,347
Postal Savings and Postal Transfer Savings (2) End of Year or Month	"	4,363	5,166	6,327	6,588	6,638	6,674	6,887	6,940	6,933	5,826
All Banks Account (1) End of Year or Month	"	30,266	37,243	47,642	48,988	49,576	49,312	49,140	49,719	52,033	44,276
Deposits	"	29,119	31,958	40,661	43,277	43,904	44,695	45,055	45,745	47,217	37,198
Loans	"										
Stocks											
Average Share Price (Tokyo Stock Exchange) (3)											
Dow Jones	Yen	340.79	374.00	485.33	587.55	547.58	524.70	495.89	511.93	532.32	487.24
Simple Arithmetic Means	"	110.94	118.17	126.43	127.36	118.00	112.66	104.73	107.21	110.97	122.32
Tokyo Stock Exchange (3)											
Total Turnovers	Million Stock	1,238	2,505	6,692	820	775	444	487	633	730	323
Investment Yields	%	9.44	7.96	6.68	6.42	7.17	7.29	7.87	7.29	7.44	7.25
Prices											
Bank of Japan Wholesale Price Indices (1)											
Total Average	1934-36=100	34,920.8	34,293.1	35,793.8	37,312.0	37,136.8	36,996.6	36,646.3	36,436.1	36,506.2	36,681.3
Total Average	1952=100	99.7	97.9	102.2	106.5	106.0	105.6	104.6	104.0	104.2	104.7
Producer Goods	"	96.7	95.1	104.0	109.9	109.4	108.8	107.2	106.2	106.1	108.9
Consumer Goods	"	103.6	101.6	99.7	102.2	101.5	101.4	101.1	101.1	101.8	100.4
Consumers Price Indices (4)											
All City Average	1951=100	119.1	117.8	118.4	122.6	123.4	122.8	122.9	123.7	..	118.5
Tokyo	"	118.1	116.4	117.5	120.7	121.8	121.6	122.3	122.5	122.2	117.2
Tokyo Retail Price Indices (1)	1952=100	106.9	102.4	102.1	105.2	105.7	104.5	106.0	106.8	105.8	102.7
Tokyo Living Cost Indices (5)	1946=100	850.2	847.4	832.2	879.1	883.8	874.4	861.9	865.0	879.9	820.3
Foreign Trade Price Indices (6)											
Exports	July, 1949-June, 1955=100	123.0	123.5	128.9	129.8	128.3	127.2	125.4	124.3	..	128.3
Imports	"	105.7	106.5	104.5	106.7	106.5	105.8	103.9	105.0	..	103.9
Foreign Trade											
Exports & Imports (6)											
Exports	Million Dollars	1,624	2,011	2,501	225	237	210	251	258	259	205
Imports	"	2,399	2,471	3,230	432	452	393	389	362	320	259
Balance	"	770	461	729	208	216	183	138	105	61	54
Foreign Trade Volume Indices (6)											
Exports	1953=100	133.2	174.1	207.9	218.0	231.9	204.3	239.7	..	..	210.6
Imports	"	103.6	108.4	138.3	205.2	210.9	183.5	186.3	..	..	142.6
Foreign Exchange Accounts (1)											
Total Receipts	Million Dollars	221	267	323	298	310	286	317	321	289	257
Total Expenditure	"	229	217	293	355	407	399	418	390	344	238
Balance	"	100	494	293	57	97	114	132	69	55	19
Foreign Currencies Holdings (6)*	"	1,053.6	1,316.7	1,421.1	1,112.6	1,000	878.9	884.7	..	..	1,398.6
Production & Inventories											
Industrial Activities Indices (7)											
All Industries	1934-36=100	173.5	187.9	228.7	259.5	268.1	267.7	272.0	260.5	..	228.2
Mining & Manufacturing	"	166.1	180.7	220.5	251.4	258.7	258.7	262.5	251.5	..	220.3
Manufacturing	"	173.8	189.4	232.8	265.1	273.8	274.3	278.6	267.4	..	238.1
Producer Delivery Indices (8)											
Mining & Manufacturing	1950=100	172.6	188.1	226.4	265.2	269.7	263.4	262.6	257.3	..	232.1
Manufacturing	"	181.8	198.2	240.0	283.3	287.5	280.6	279.4	274.7	..	246.9
Raw Material Inventories Indices (8)	"	165.7	155.2	190.6	263.2	276.0	292.5	292.0	292.7	..	208.8
Producer Goods Inventories Indices (8)											
Mining Manufacturing	"	155.5	144.4	134.4	149.3	162.4	180.4	195.3	204.7	..	135.7
Manufacturing	"	158.9	148.6	144.0	161.9	176.2	197.2	214.0	224.3	..	146.0
Sellers Inventories Indices (8)	22 items surveyed	199.2	113.6	128.2	150.1	152.8	160.4	156.2	..	..	132.3
Warehouse Inventories Indices (8 Biggest Cities) (9)	1950=100										
Volume	1,000 tons	1,694	2,055	2,837	2,718	2,855	..	..	..	..	2,079
Value	¥100,000,000	108,482	131,606	179,027	185,539	191,571	..	..	..	..	133,352
Railroad Carloadings Indices (10)	1941=100	105.6	105.9	113.4	119.0	118.0	125.0	124.2	122.3	..	118.3
All Japan Department Store Sales Indices (3)	"	22,193.7	23,668.9	28,867.2	31,983.3	28,345.5	29,746.7	39,763.4	..	..	31,697.4
Labor, Household Budget											
Employment Indices (Regular Employees) (11)											
All Industries	1951=100	111.4	110.0	113.3	120.8	120.9	121.1	121.2	..	..	114.1
Manufacturing	"	113.0	111.5	116.1	126.9	127.0	127.2	127.0	..	..	117.2
Employment Total (4)	10,000	4,014	4,150	4,228	4,332	4,409	4,457	4,490	4,443	..	4,372
Total Unemployment (4)	"	58	68	64	59	46	46	48	..	..	57
Regular Employee Cash Wage Total (11)											
All Industries	Monthly - yen	17,898	18,624	20,201	18,765	17,992	25,299	24,912	..	..	22,817
Manufacturing	"	16,309	16,717	18,348	16,654	16,411	22,118	24,347	..	..	22,214
Regular Employees Real Wage Indices (11)											
All Industries	1951=100	125.5	134.3	145.9	130.8	124.6	176.1	173.3	..	..	166.5
Manufacturing	"	119.3	126.7	139.7	122.8	119.9	162.4	178.6	..	..	170.9
Wage Earners Household Budget (All Cities) (4)											
Income	Monthly - yen	28,283	29,169	30,776	28,488	28,098	37,113	35,486	..	..	32,043
Expenditure	"	26,428	26,786	27,542	26,601	26,389	29,065	30,450	..	..	38,672
Wage Earners Household Budget (Tokyo) (4)											
Income	"	33,701	34,845	36,122	33,633	34,071	44,315	49,195	..	..	40,988
Expenditure	"	31,450	32,388	32,603	30,888	31,751	35,433	40,436	..	..	36,623
Consumer Standards (7)											
All Japan	1951 F.Y.=100	123.7	127.8	135.2	..	..	..	..	..	..	131.9
All Cities	"	128.5	134.9	145.1	146.5	140.8	148.1	152.1	141.5	..	135.7
Farm Area	"	116.5	117.1	120.4	..	..	..	..	..	..	123.5

Sources: (1) Bank of Japan. (2) Ministry of Postal Services. (3) Tokyo Stock Exchange. (4) Statistics Bureau, Prime Minister's Office. (5) The Oriental Economist. (6) Finance Ministry. (7) Economic Planning Board. (8) MITI. (9) Transportation Ministry. (10) Japanese National Railway. (11) Labor Ministry. Notes: * End of Year or Month. ^ Revised at source.

2. Treasury Accounts with the Public

(In ¥100,000,000)

(Ministry of Finance.)

Items	Fiscal 1956					Fiscal 1957					Fiscal 1956
	Apr.- June	July- Sept.	Oct.- Dec.	Jan.- Mar.	Total	Apr.- June	July	Aug.	Sept.	July- Sept.	July- Sept.
General Account											
Revenue											
Taxes	2,002	2,216	2,383	2,616	9,217	2,458	▲ 810	818	891	2,519	2,216
Monopoly	336	255	155	254	1,000	368	▲ 76	141	87	284	255
Others	163	97	150	134	546	147	26	24	26	76	99
Total	2,501	2,570	2,688	3,004	10,763	2,973	▲ 912	983	984	2,879	2,570
Expenditure											
Security Forces	118	108	129	156	511	144	▲ 103	30	21	154	108
Defense Agency	267	158	250	197	872	330	▲ 56	59	58	173	157
Public Works Expenditure	340	250	446	262	1,298	255	▲ 67	105	110	282	250
Local Finance Equalization Grants ..	748	460	416	258	1,882	900	38	338	160	536	460
Compulsory Education Expenditure ..	191	166	238	158	753	214	▲ 52	66	53	171	166
Others	925	698	1,053	770	3,446	1,010	▲ 287	256	326	869	699
Total	2,689	1,840	2,532	1,801	8,762	2,853	▲ 603	854	728	2,185	1,840
Balance	(-) 88	730	156	1,208	2,001	120	▲ 309	129	256	694	730
Special Accounts and Others											
Foodstuff Control	580	(-) 401	(-) 1,024	844	(-) 1	1,006	▲ (-) 424	98	30	(-) 296	(-) 400
Trust Fund Bureau	(-) 200	(-) 82	(-) 283	(-) 427	(-) 992	(-) 249	(-) 65	(-) 15	(-) 44	(-) 124	(-) 82
Industrial Investment	28	43	(-) 22	53	102	(-) 90	(-) 8	(-) 12	104	100	43
National Railways and Nippon Tele- graph & Tel. Public Corporation ..	147	(-) 16	(-) 120	(-) 19	(-) 8	(-) 72	3	30	3	36	(-) 15
Finance Corporation	(-) 157	(-) 176	(-) 280	(-) 221	(-) 834	(-) 228	▲ (-) 81	(-) 84	(-) 90	(-) 255	(-) 176
Others	(-) 28	267	(-) 121	539	899	59	▲ 138	158	22	318	265
Total	370	(-) 365	(-) 1,608	769	(-) 834	426	▲ (-) 421	175	25	(-) 221	(-) 365
Adjustment Items	(-) 94	(-) 1	49	(-) 121	(-) 167	6	(-) 22	(-) 56	2	(-) 76	(-) 2
Foreign Exchange	(-) 94	(-) 21	(-) 13	762	634	1,225	305	219	91	615	(-) 20
Balance	94	343	(-) 1,416	2,613	1,634	1,777	171	467	374	1,012	343

3. Monthly Report of All Banks

(August, 1957: Excluding Bank of Japan)

(In million yen)

(Bank of Japan)

	All Banks							Trust Account (16)
	Debenture Issuing Banks (3)	City Banks (13)	Local Banks (65)	Trust Banks (6)	Total (87)	Leftover from Pre. mo. (87)	Month-end, previous year (86)	
Deposits								
Current Deposits	15,743	716,545	146,270	37,384	915,944	975,186	781,680	—
Ordinary Deposits	6,877	571,554	347,231	17,485	943,148	955,360	835,722	—
Deposits at Notice	20,532	214,733	58,015	24,978	318,260	340,157	257,295	—
Time Deposits	10,979	1,417,494	815,111	43,157	2,286,742	2,253,897	1,784,731	—
Special Deposits	3,127	156,318	43,111	8,158	120,715	162,969	152,342	—
Instalment Savings	—	37,329	103,874	794	141,997	140,749	128,698	—
Deposits for Tax Payment	68	4,622	2,478	242	7,411	10,149	9,165	—
Deposits of Gov't and Gov't Agencies	511	88,295	—	—	88,807	90,025	138,113	* 174,860
Other Deposits	—	976	—	—	976	740	597	** 181,224
Total	57,839	3,207,870	1,516,092	132,201	4,914,005	4,931,237	4,088,347	—
Borrowed Money	13,155	463,480	2,961	9,675	489,272	748,300	119,141	—
Borrowings for Settlement of Import Bills ..	1,276	80,401	378	741	82,797	77,495	20,808	—
Call Money	14,583	128,040	9,943	14,611	167,179	135,475	96,348	—
Cash and Deposits								
Cash in Hand	16,303	687,544	106,773	28,843	839,465	825,230	573,651	2,369
Deposits with Domestic Money Organs	457	12,122	15,806	2,265	30,651	29,169	27,934	1,777
Call Loans	6,183	16,900	39,005	747	62,835	55,689	51,313	26,355
Securities								
Government Bonds	1,759	38,618	10,722	887	51,987	52,052	51,856	—
Local Government Bonds	2,778	34,872	36,479	372	74,501	73,494	47,709	483
Foreign Bonds	—	3,008	—	—	3,008	3,008	3,374	1,626
Corporate Debentures	13,250	249,613	187,343	7,539	457,746	453,806	407,890	3
Stocks	11,205	71,578	24,694	4,518	111,996	110,110	81,111	5,045
Other Bonds	314	281	1,054	2,647	4,297	3,845	2,287	2,616
Total	29,308	397,972	260,293	15,964	703,539	696,317	594,229	23
Advance								
Discount Bills	11,625	988,316	340,015	69,723	1,418,680	1,432,146	1,142,497	—
Bank Acceptance Bills	—	915	10,498	9	11,423	13,737	11,594	13,391
Commercial Bills	11,625	986,600	337,243	69,708	1,405,178	1,416,512	1,128,513	—
Documentary Bills	—	799	1,274	4	2,078	1,896	2,389	—
Advances against Guarantee	413,931	1,615,485	874,080	61,669	2,965,167	2,920,871	2,276,209	—
Loans on Bills	44,461	1,558,422	821,720	59,986	2,484,591	2,448,468	1,908,979	314,375
Loans on Deeds	369,469	23,268	39,593	1,276	433,808	426,612	324,611	100,432
Overdrafts	—	33,794	12,766	405	46,966	45,790	42,619	64,913
Loans for Settlement of Import Bills	1,821	116,807	1,788	1,253	121,670	16,497	63,583	—
Total	427,378	2,720,609	1,224,884	132,645	4,505,518	4,469,515	3,482,289	—

Note: * Money in trust total. ** Loan trust. ▲ Revised at Source.

4. Bank of Japan Ten-day Report

(In million yen) (Bank of Japan)

Items	1957			1956
	Sept. 10	Sept. 20	Sept. 30	Sept. 30
LIABILITIES				
Bank Notes Issued	596,420	589,196	635,525	599,520
Bankers' Deposits	6,267	6,637	6,449	6,274
Government Deposits	47,412	41,863	61,460	51,850
Other Deposits	80,094	80,139	78,020	23,526
Inter-Bank Remittance Deposits	—	—	—	—
Reserves Against Con- tingencies	31,208	31,208	34,498	28,098
Other Liabilities	49,785	55,807	57,486	39,733
Capital Stock	100	100	100	100
Reserve Funds	16,373	16,373	16,373	14,286
Total	827,662	821,326	907,914	763,390
ASSETS				
Bullion	447	447	447	447
Cash	4,295	4,789	5,069	3,557
Discounted Bills	58,488	61,406	54,579	20,496
Loans	482,167	464,215	508,377	70,832
Foreign Exchange Loans ..	—	—	—	5,762
Advances to Government ..	—	—	—	—
Government Bonds	165,930	168,334	204,711	434,751
Foreign Ex. Accounts	74,267	74,490	74,567	178,114
Inter-Bank Remittance	—	—	—	—
Agencies Accounts	10,411	12,580	21,192	17,874
Other Assets	31,653	35,062	38,968	31,552
Total	827,662	821,326	907,914	763,390

5. Outstanding Loans to Industries by All Banks

(In million yen) (Bank of Japan)

End of Month	May, 1957			June, 1957		
	Loans Total	For Equip- ments	For Co. of ¥10 Million or less	Loans Total	For Equip- ments	For Co. of ¥10 Million or less
Manufacturing total	2,043,411	235,606	604,982	2,104,232	242,581	611,172
Foodstuffs	203,646	11,286	101,720	203,938	11,549	100,966
Textiles	455,881	44,233	161,410	484,438	44,429	165,509
Wood and Wood Products ..	78,903	2,103	66,069	78,870	2,129	65,904
Paper & Related Products ..	120,413	18,362	20,008	123,120	19,207	20,149
Printing & Publishing ..	41,137	4,778	15,841	42,594	4,890	15,909
Chemicals	252,549	48,567	32,795	258,585	49,938	33,159
Glass & Ceramics	74,394	15,055	15,746	76,267	15,656	15,934
Primary Metals	231,075	41,129	28,927	233,098	42,124	28,920
Machinery	101,917	6,474	44,893	106,446	6,723	46,046
Electric Machinery & Tools ..	145,026	13,778	17,283	149,842	14,636	17,588
Trans. Machinery & Tools ..	143,810	11,168	20,115	147,355	11,443	20,288
Agriculture	14,527	567	14,215	15,133	555	14,735
Forestry & Hunting	11,109	45	8,814	11,097	54	8,808
Fishery	57,016	18,688	19,026	58,150	19,187	18,883
Mining	92,166	17,624	12,395	93,482	17,825	11,937
Metal Mining	19,609	4,810	780	21,049	4,921	724
Coal Mining	60,739	9,945	8,216	60,530	9,943	7,788
Construction	90,088	1,299	38,963	89,752	1,429	39,684
Wholesale & Retail	1,382,085	16,747	671,193	1,399,240	17,613	671,746
Wholesale	1,262,908	10,387	586,618	1,278,918	11,204	586,353
Retail	119,176	6,360	48,575	120,321	6,408	85,392
Finance Insurance	72,221	144	10,086	67,745	148	9,784
Real Estate	30,621	10,983	14,030	31,498	11,438	14,598
Trans. & Public Utilities ..	355,149	246,546	24,942	361,449	251,715	25,571
Railways	34,515	13,959	305	35,767	14,747	203
Shipping	111,006	73,654	9,768	110,682	74,542	10,239
Electric	136,105	134,247	32	139,349	137,484	31
Services	81,856	22,214	56,476	82,810	22,283	56,978
Local Public Corporation ..	55,043	21,097	—	53,111	21,533	—
Others	56,281	2,943	56,162	56,019	2,963	55,901
Total	4,341,618	594,510	1,531,290	4,423,725	609,626	1,539,802

6. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

Year & Month	Tokyo			Osaka		
	Rate		Balance at the End of the Month (million yen)	Rate		Balance at the End of the Month (million yen)
	Over- Month -End (sen)	Uncon- ditional (sen)		Over- Month -End (sen)	Uncon- ditional (sen)	
1957: Mar. ..	3.00	2.90	73,750	3.10	3.00	25,057
Apr. ..	2.30	2.10	84,611	2.40	2.10	33,750
May ..	2.65	2.35	74,921	3.20	2.40	34,915
June ..	5.00	4.50	69,255	4.60	4.60	25,845
July ..	3.50	3.50	96,893	3.50	3.50	31,816
Aug. ..	3.30	3.50	75,022	3.00	3.50	26,909
1956: Aug. ..	2.10	2.30	59,175	2.15	2.35	21,625

7. Postal Savings & Postal Transfer Savings

(In million) (Ministry of Postal Services)

End of Month	Postal Savings			Postal Transfer Savings	Total
	Receipts	Payments	Balance		
1957: Jan.	67,580	43,669	647,289	6,973	654,262
Feb.	50,905	47,295	650,900	7,098	657,998
Mar.	64,236	58,233	656,902	8,324	665,226
Apr.	68,324	66,457	658,769	6,307	665,076
May	60,809	58,809	660,769	7,582	668,351
June	59,716	47,025	673,459	6,767	680,226
1956: June	51,373	39,833	552,967	5,315	558,282

8. Bank Clearings

(In billion yen) (Tokyo Clearing House)

Year & Month	All Clearing		Tokyo		Osaka	
	No. of Bills	Amount	No. of Bills	Amount	No. of Bills	Amount
1956: Nov. ..	(1,000)	3,599	(1,000)	4,995	(1,000)	872
Dec. ..	12,511	4,718	6,466	2,068	3,314	1,137
1957: Jan. ..	11,108	3,460	4,427	1,561	2,146	785
Feb. ..	11,966	3,619	4,763	1,633	2,437	851
Mar. ..	12,755	4,301	5,145	1,933	2,566	1,001
Apr. ..	13,168	4,235	5,244	1,885	2,692	985
May ..	13,766	4,129	5,510	1,840	2,797	969
June ..	13,655	3,914	5,382	1,727	2,743	919
July ..	14,214	4,283	5,728	1,884	2,852	1,008
1956: July ..	12,420	3,233	5,080	1,493	2,465	770

9. Average Yields of Debentures

(Industrial Bank of Japan)

Month	Gov't Bonds	Financial Debenture		Industrial Debenture
		Interest Bearing	Discount	
1956: November ..	%	%	%	%
December ..	6.342	7.204	6.224	7.372
1957: January	—	7.204	6.224	7.388
February	6.362	7.204	6.224	7.362
March	6.324	7.204	6.224	7.375
April	6.331	7.204	6.224	7.360
May	—	7.204	6.224	7.360
June	6.324	7.204	6.224	7.387
July	—	7.621	6.643	7.426
1956: July	—	7.411	6.224	7.918

10. Government Bonds

(In million yen)

(Bank of Japan)

End of Month	Government Bonds			Foreign Exchange Fund Bills			Food Notes			Outstanding Amounts of Corporate Debentures
	Issue	Redemption	Balance	Issue	Redemption	Balance	Issue	Redemption	Balance	
1957: March	22,333	21,620	409,343	65,054	42,973	80,081	177,435	82,012	329,809	819,233
April	696	670	409,369	25,000	46,813	58,268	185,582	289,315	226,076	693,713
May	82	40	409,411	39,076	68,220	29,124	35,563	74,481	186,158	624,693
June	813	810	409,414	6	7,034	22,096	85,088	55,089	116,152	547,662
July	567	534	409,447	15,000	22,090	122,000	97,125	45,531	167,746	592,199
1956: July	157	25	426,441	57,000	59,000	120,000	167,020	138,209	243,811	790,252

11. Corporate Debentures & Public Corporation Bonds

(In million yen)

(Industrial Bank of Japan)

End of Month	Corporate Debentures									Public Corporation Bonds		
	Banking Bonds			Industrial Bonds			Total					
	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance	Issue	Redem- ption	Balance
1957: April	18,308	12,552	428,211	▲ 12,760	3,686	▲ 320,690	▲ 31,068	16,238	▲ 748,901	3,850	400	117,565
May	17,469	12,238	433,443	11,870	3,374	▲ 329,185	▲ 29,389	15,612	▲ 762,628	3,537	271	120,831
June	16,198	11,992	437,648	▲ 3,910	3,712	▲ 329,383	▲ 20,158	15,704	▲ 767,031	2,647	—	123,479
July	18,778	13,671	442,755	▲ 5,165	4,284	▲ 330,263	▲ 24,013	17,955	▲ 723,018	3,013	—	126,492
August	18,952	13,475	448,232	5,540	4,461	331,343	24,492	17,926	779,575	2,864	298	129,059
1956: August	20,528	15,140	390,878	8,500	3,798	248,466	29,025	18,939	639,336	1,756	298	87,884

12. Contracts & Investments of Mutual Life Insurance Companies

(In million yen)

(Mutual Life Insurance Association)

End of Month	Mid-Month Contract Amounts	End-Month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Cash & Deposits	Others
					Total	Debentures	Stocks			
1957: March	143,724	2,846,403	110,151	7,777	101,558	11,059	86,289	25,379	7,463	4,756
April	96,848	2,905,847	116,350	7,928	101,156	11,255	85,651	26,587	3,551	5,244
May	100,769	2,955,695	122,558	9,516	101,235	11,338	85,584	27,243	3,376	4,759
June .....	..	..	128,932	8,836	101,462	11,253	85,777	27,823	3,456	4,933
1956: June	81,163	2,349,953	93,798	5,902	76,784	6,797	66,712	20,864	4,663	4,696

13. Contracts & Investments of Loss Insurance Companies

(In million yen)

(Loss Insurance Association)

End of Month	Mid-Month Contract Amounts	End-month Contract Amounts	Loans Total	Call Loans	Negotiable Securities			Real Estate	Cash & Deposits	Others
					Total	Debentures	Stocks			
1957: March	1,801,151	8,419,372	9,791	3,774	52,171	3,054	45,657	14,494	27,244	1,321
April	1,609,568	8,486,912	10,671	4,643	53,284	3,785	46,030	14,810	23,418	584
May	1,661,639	8,492,009	11,663	3,539	54,564	4,054	47,081	15,074	23,283	523
June .....	..	..	12,747	2,798	55,163	4,106	47,723	15,342	23,411	871
1956: June	1,335,501	7,387,758	9,479	3,583	37,648	1,608	33,131	13,264	22,255	820

14. Stock Issue Plan & Paid-Up Capital

(In million yen)

(Ministry of Finance)

Year & Month	Stock Issue Plan						Paid-Up Capital					
	Over ¥50 million		Under ¥50 million		Total		Over ¥50 million		Under ¥50 million		Total	
	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital	No. of Effective Cases	Increase in Capital
1957: March	16	4,925	522	5,397	538	20,322	—	—	473	4,322	473	4,322
April	17	6,146	443	9,764	460	15,910	12	1,122	540	10,059	552	11,183
May	14	4,729	524	7,264	538	11,993	9	1,240	430	7,473	439	8,713
June	45	36,802	536	5,475	581	42,227	21	12,301	507	4,951	528	17,253
July	36	24,611	423	3,666	464	28,578	26	12,260	508	4,607	534	16,866
August	44	33,876	401	8,260	445	42,137	44	16,612	393	8,270	437	24,881
1956: August	44	21,423	430	4,976	474	26,399	35	11,561	392	4,566	427	16,128

15. Tokyo Wholesale Price Indices

(1952=100)

(Bank of Japan)

Year & Month	Total Average	Agricultural Products	Textiles	Fuels	Metal & Machinery	Building Materials	Chemical Products	Sundries	By Uses		
									Producers' Goods	Capital Goods	Consumer's Goods
1956: Average	102.2	104.0	87.1	104.8	110.3	122.2	86.5	92.2	104.0	115.6	99.7
1957: June	105.6	106.7	80.0	112.1	115.8	138.1	88.4	93.9	108.8	126.5	101.4
July	104.6	106.4	79.2	112.2	112.7	135.4	88.0	93.8	107.2	123.9	101.1
August	104.0	106.7	78.8	111.4	110.9	134.7	87.4	93.6	106.2	122.4	101.1
September	104.2	107.3	79.4	111.9	110.8	135.0	86.6	93.1	106.1	122.4	101.8
1956: September	104.7	104.3	86.3	104.3	119.9	133.1	86.4	92.7	108.0	124.5	100.4

Notes: Food Notes in Table 10 do not include Korean food notes. Public Corporation Bonds are the total of National Railways Bonds and Telephone & Telegraph Corporation Bonds. [^] Revised at Source.

16. Tokyo Retail Price Indices

(1952=100)

(Bank of Japan)

Year & Month	Total Average	Agricultural Products	Textile Products	Metal Products	Wood Products	Fuel	Miscellaneous	*Total Average	Total Average (1934-6=100)
1956: Average	102.1	109.5	88.0	98.3	102.0	111.0	94.1	98.8	30,666.9
1957: May	105.7	114.2	88.8	99.1	107.2	130.5	96.2	101.1	31,761.2
June	104.5	112.3	87.8	99.1	107.2	127.7	96.6	101.6	31,400.6
July	106.0	115.5	86.9	99.1	106.2	126.2	96.6	101.8	31,851.3
August	106.8	117.3	86.5	99.0	105.6	126.1	96.7	101.7	32,091.7
September	105.8	115.4	86.5	99.1	105.6	125.7	96.5	101.5	31,791.2
1956: September	102.7	110.3	88.9	99.2	101.7	109.0	94.1	98.9	30,859.7

17. Consumer Price Indices

(1951=100)

(Bureau of Statistics, Prime Minister's Office)

		Total Average	Food	Staple Food	Nonstaple Food	Clothing	Light & Fuel	Housing	Miscellaneous
All Cities	1956: Average	118.4	113.9	124.0	107.5	83.1	137.0	145.9	143.1
	1957: April	122.6	118.6	124.9	114.6	84.0	147.3	154.1	145.6
	May	123.4	119.8	126.7	115.5	84.6	146.7	154.4	145.9
	June	122.8	118.7	128.1	112.9	84.5	146.9	155.5	145.9
	July	122.9	118.8	129.4	112.2	84.4	147.9	156.4	145.9
	August	123.7	120.0	129.3	114.1	84.2	148.7	156.7	146.4
	1956: August	118.5	113.3	124.1	106.8	83.6	125.3	148.7	144.1
Tokyo	1956: Average	117.5	112.4	121.2	107.8	82.4	138.6	142.2	141.6
	1957: May	121.8	117.4	123.2	114.4	83.9	145.2	148.0	145.0
	June	121.6	116.9	124.4	113.0	83.2	145.8	150.6	144.9
	July	122.3	117.8	127.2	112.9	83.2	146.0	152.8	145.2
	August	122.5	118.2	127.0	113.5	83.3	146.6	152.5	145.2
	September	122.2	117.4	125.7	113.0	84.8	147.5	152.6	145.0
	1956: July	117.2	111.4	121.1	106.3	82.7	137.9	144.9	142.2

18. Labor Population Survey

(In 10,000)

(Labor Ministry)

Year & Month	Total (1) Population	Population 14 years old and over						Agriculture & Forestry		Non-Agricultural Industry	
		Total (2)	Labor Force				Not in Labor Force	Not at Work (3)	At Piece-Work (4)	Not at Work (3)	At Piece-Work (4)
			Total of the following three columns	Agriculture & Forestry	Non-Agricultural Industries	Totally Unemployed					
1956: Average	9,006	6,266	4,291	1,682	2,546	64	1,966	23	627	33	363
1957: March	9,070	6,370	4,391	1,623	2,709	59	1,974	19	599	27	400
April	9,080	6,354	4,455	1,778	2,681	46	1,890	18	396	24	314
May	9,090	6,362	4,502	1,879	2,577	46	1,853	11	416	31	361
July	9,100	6,372	4,490	1,784	2,659	48	1,871	18	552	34	344
1956: July	9,010	6,270	4,428	1,853	2,519	57	1,832	23	495	44	263

19. Labor Disputes & No. of Participants

(1,000 Participants)

(Labor Ministry)

Year & Month	Dispute Total		Not Accompanied by Dispute Tactics		Accompanied by Disputes									
	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	Total		Strikes		Lock-outs		Work Slowdown		Business Control	
					No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants	No. of Cases	No. of Par- ticipants
1956: Total ..	1,285	2,456	555	999	799	1,457	616	878	44	(168,487)	329	655	5	(209)
1957: Mar. ..	159	260	48	56	117	203	89	137	5	(394)	50	101	—	—
Apr. ..	149	203	62	42	89	161	76	154	3	(226)	33	58	1	(245)
May ..	93	348	39	251	56	97	37	10	4	(184)	29	91	—	—
June ..	120	182	57	87	72	96	59	58	1	(68)	25	40	—	—
July ..	151	82	76	26	79	56	57	33	2	(71)	32	43	—	—
1956: July ..	107	227	51	151	63	77	46	59	4	(3,409)	26	40	—	—

20. Indices for Industrial Activities

(1934-36=100)

(Economic Planning Board)

Year & Month	Industrial Activities				Manufacturing									
	All	Public Works	Mining-Manu-facturing	Mining	All	Food-stuff	Textiles	Printing & Binding	Chemicals	Rubber & Leather	Wood & Wood Products	Ceramics	Metals	Ma-chinery
1956 Average	(153) 228.7	(2) 294.8	(151) 220.5	(10) 129.7	(141) 232.8	(12) 235.9	(12) 100.0	(1) 134.8	(37) 368.2	(10) 216.2	(2) 210.3	(7) 214.4	(18) 265.9	(42) 395.8
1957: March	254.9	323.1	245.9	133.7	261.3	234.1	105.6	141.3	435.6	279.2	223.0	258.5	321.8	431.4
April	259.5	321.6	250.4	143.6	265.1	229.5	108.9	146.3	444.2	280.6	220.6	263.0	314.0	449.3
May	268.1	339.7	258.7	147.9	273.8	235.0	110.0	156.1	458.9	280.0	220.3	268.0	331.6	467.4
June	267.7	320.1	258.7	144.3	274.3	231.3	112.5	150.8	462.6	280.6	221.5	258.0	352.9	473.9
July	272.0	337.4	262.5	145.7	278.6	259.9	112.4	148.6	480.5	278.5	225.1	246.6	324.5	470.5
August	260.5	321.7	251.5	135.1	267.4	251.5	108.4	145.0	459.6	260.0	225.1	243.2	308.5	449.0
1956: August	228.2	280.9	220.3	125.8	233.1	250.3	102.1	143.2	369.2	226.9	218.5	217.8	268.6	363.7

Notes: * except perishable vegetables. Figures in parentheses in Table 19 are not in 1,000. Figures in parentheses in Table 20 are the numbers of companies surveyed. ^ Revised at Source. ^ Provisional Figures.

21. Production by Major Items

Items	In	1957 June	1957 July	1957 August	Items	In	1957 June	1957 July	1957 August
Electricity, Coal, Cokes, Gas									
Electricity	Mil. KWH	5,821	6,256	5,935	Ordinary Transformers	1,000 Units	24.2	21.8	..
Coal	1,000 Tons	4,312	4,363	3,969	Mercury Rectifiers	1,000 KW	15.8	22.0	18.5
Cokes	Tons	764,131	776,779	774,558	Condensers (High Pressure) ..	"	114.8	118.3	..
Gas	1,000 CM	222,330	219,156	212,671	Electric Welders	Unit	3,188	2,966	..
Minerals									
Gold	KG.	676	681	658	Circuit Breakers	"	62,554	57,002	45,450
Silver	Tons	18.6	18.4	17.3	Electric Fans	1,000 Units	130.9	111.4	94.5
Copper	"	7,045	7,036	6,843	Electric Bulbs	1,000 Pcs.	12,855	13,004	13,110
Lead	"	3,042	3,149	3,007	Special Electric Bulbs	"	7,431	7,208	7,159
Zinc	1,000 tons	11.5	12.4	10.7	Watt-hour Meters	1,000 Units	151.2	143.3	142.9
Sulphuric Iron	"	286.5	206.1	297.3	Electric Meters	Units	7,376	8,121	8,010
Iron	"	97.4	111.6	114.9	Storage Batteries	1,000 Units	98.4	94.5	..
Refined Sulphur	"	23.0	22.9	21.9	X-Ray Equipments	Sets	487	488	460
Crude Oil	1,000 Kl.	28.9	30.7	30.9	Telephones	1,000 Units	89.9	85.7	72.4
Natural Gas	1,000 CM.	19,428	23,476	23,324	Telephone Switchboards	Sets	723	759	656
Non-ferrous Metals & Products									
Electric Gold	KG.	796	813	820	Automatic Tel. Switchboards	1,000 Circuits	42.4	38.5	34.8
Electric Silver	Ton	22.2	23.0	23.5	Radios	1,000 Sets.	329.5	293.8	289.8
Electric Copper	"	12,637	13,231	13,256	Televisions	"	47.9	53.7	63.0
Lead	"	4,381	4,312	4,375	Electric Tubes for Receiving	1,000 Pcs.	5,252	5,220	4,920
Zinc	"	12,587	12,923	12,708	Elect. Tubes for Transmis. ..	"	19.4	20.1	..
Electric Tin	"	95.1	150.7	100.6	Truck Chassis	Units	4,035	4,096	3,657
Mercury	"	47.9	30.5	40.9	Bus Chassis	"	675	692	638
Nickel	"	700.1	585.4	582.6	Small Four-wheeler Chassis ..	"	7,912	7,190	6,613
Aluminum	"	6,138	6,311	6,291	Small Three-wheeler Chassis ..	"	10,190	9,547	9,050
Rolled Aluminum	"	5,405	5,005	5,263	Two-wheelers	"	20,936	21,180	20,770
Rolled Copper	"	15,693	13,905	14,223	Bicycles	"	219,633	203,151	192,368
Wires & Cables	"	12,881	12,447	11,913	Industrial Locomotives	"	42	48	35
Oil Products									
Gasoline	1,000 Kl.	280.5	300.7	292.1	Binoculars	1,000 Pairs	29.3	29.9	30.9
Light Oil	"	74.3	83.3	79.4	Cameras	1,000 Pcs.	116.2	121.8	116.0
Heavy Oil	"	602.1	640.0	591.4	Watches	"	715.9	733.3	699.4
Lubricants	"	44.0	42.0	37.3	Forged iron	Ton	131,937	124,199	117,537
Iron & Steel Products									
Pig-iron	1,000 Tons	586.9	617.6	595.4	Textiles & Yarns				
Steel	"	1,110.3	1,149.2	1,038.8	Cotton Yarn	1,000 lb.	102,344	101,232	96,794
Open Hearth Steel	"	858.7	910.9	827.8	Silk Yarn	"	320	315	314
Converter Steel	"	41.0	38.3	28.4	Rayon Staple Yarn	"	25,524	26,435	21,932
Electric Furnace Steel	"	210.6	200.0	182.7	Rayon Filament Yarn	"	56,063	56,958	54,369
Ferro-alloys	"	39,667	40,116	32,437	Synthetic Chemical Textiles ..	"	6,640	6,344	5,942
Rolled iron materials	"	763.9	771.9	746.5	Woolen Yarn	"	24,323	21,027	19,961
Iron Shapes (Medium size) ..	Ton	55,845	55,880	43,821	Best Fibre Yarn	"	9,130	9,390	8,810
Iron Bars	"	1,450	1,798	1,839	Staple Fibres	"	59,171	58,895	58,864
Iron Tubes Materials	"	29,008	22,918	25,587	Cotton Textiles	Mil. sq. y.	333.8	322.6	310.0
Iron wire	"	44,168	40,265	43,955	Silk Textiles	1,000 sq. y.	18,834	19,024	17,863
Iron Sheets (Thick)	"	204,359	206,481	201,432	Spun Silk Textiles	"	1,569	1,581	1,741
Iron Sheets (Thin)	"	50,764	52,834	51,179	Rayon Textiles	"	77,171	78,432	75,248
Rolled Special Steel	1,000 Tons	64.9	61.9	53.3	Rayon Staple Textiles	"	113,928	115,596	111,092
Iron Tubes	Ton	57,929	57,787	50,706	Woolen Textiles	"	19,634	20,148	19,067
Gas-welded steeltubes	"	9,638	9,106	8,918	Best Fibre Textiles	"	11,838	10,098	9,247
Forged Steel	"	19,058	19,068	18,080	Chemicals				
Cast Steel	"	25,217	24,784	24,024	Ammonium	1,000 Tons	83.9	90.6	80.4
Tin-Plates	"	19,697	19,422	20,597	Ammonium Sulphate	"	216.1	238.7	212.7
Galvanized Sheets	1,000 Tons	51.1	54.3	55.3	Superphosphate of Lime	"	143.2	148.3	136.4
Machinery & Machine Tools									
Steam Boilers	Ton	4,108	1,644	2,507	Carbide	"	93.2	110.8	94.8
Steam Turbines	KW.	19,720	101,000	9,000	Calcium Cyanamide	"	42.2	21.4	23.4
Water Turbines	"	25,300	36,600	26,450	Synthetic Chem. Fertilizers ..	"	102.0	101.1	99.1
Gasoline Engines	HP.	41,305	40,332	35,053	Caustic Soda	"	63.1	63.1	56.2
Oil Burners	"	43,603	48,976	42,374	Soda Ash	"	33.0	31.8	29.9
Petroleum Engines	"	33,470	28,356	28,388	Synthetic Hydrochloric Acid	Ton	24,499	25,184	23,541
Machine Tools	1,000 Pcs.	3,444	2,860	..	Bleaching Powder	"	1,516	1,222	1,177
Drills	"	1,814	1,924	2,020	Liquid Chlorine	"	9,788	9,005	8,448
Transmitters	1,000 Tons	1,103	1,182	1,059	Crude Benzol	"	10,138	10,349	10,158
Cogs	"	753	749	699	Refined Benzol	"	5,315	4,927	4,618
Thrashing Machines	Units	15.7	16.8	19.4	Pure Toluol	"	857	894	858
Hulling Machines	"	3.9	4.9	4.9	Industrial Explosives	"	3,122	2,839	2,461
Rice-cleaning Machines	"	3,835	3,956	5,040	Paper & Pulp				
Air Compressors	Ton	894	736	945	Pulp	Long Ton	209,506	214,727	213,159
Pumps	Ton	2,404	2,519	2,400	Western Style Papers	1,000 lb.	336,562	349,013	339,549
Refrigerators	"	1,021	842	1,170	Ceramics				
Conveyers	"	2,191	3,256	2,880	Firebricks	1,000 Tons	104.8	105.0	99.8
Cranes	"	3,425	3,511	2,270	Chinawares	"	41.1	40.4	41.7
Winches	"	898	740	650	Glass Products	"	49.1	47.2	43.0
Elevators	"	812	770	470	Red Bricks	Mil. pcs.	26.0	23.2	24.7
R. Staple Weaving Machines ..	Units	1,397	1,370	1,377	Sheet Glass	1,000 Boxes	674	713	729
Cotton Weaving Machines ..	"	3,568	3,129	2,792	Cement	1,000 Tons	1,322	1,186	1,197
Wool Weaving Machines	Tons	287	212	271	Miscellaneous				
Sewing Machines	1,000 Unit	187.3	180.2	170.1	Automobile Tires	1,000 pcs.	435.9	423.4	382.7
Lathes	Units	236	223	..	Metal Toys	"	26,290	25,813	26,188
Drilling Machines	1,000 Tons	619	728	630	Pencils	1,000 Gross	465	499	487
Millwork Power Generators ..	KVA	10.0	307.1	..	Needles	Mil. pcs.	212	156	199
					Match	Match tons	38.0	38.4	40.7
					Piano	Sets	1,892	1,938	1,831
					Leathers	Ton	7,013	7,094	7,130

Source: Ministry of International Trade & Industry.

Note: ^ Revised at source. ^ Provisional figures.

22. Machinery Orders (In ₹ million) (Economic Planning Board)

Items	1955	1956	1957					1956
	Average	Average	Apr.	May	June	July	August	August
By Products								
Prime Movers	3,183	7,725	9,171	14,565	4,230	6,158	6,500	7,863
Heavy Electric Machinery	4,621	9,696	16,742	14,983	16,275	12,259	9,632	10,138
Communication Apparatus.....	1,448	2,291	4,540	2,554	4,985	2,503	2,867	3,150
Industrial Machinery	5,890	12,531	17,471	11,207	16,109	11,130	8,298	14,074
Machine Tools.....	159	567	1,200	886	743	567	459	689
Rolling Stocks	1,738	2,380	2,309	5,377	5,566	6,020	2,716	3,090
Ships	13,832	23,626	3,975	23,837	25,457	38,023	7,273	26,636
Total of the Above.....	30,871	58,810	55,408	78,409	73,365	76,660	37,745	75,640
Iron & Steel Frames	1,187	1,514	2,562	2,224	2,238	2,201	1,294	1,205
Bearings	986	1,611	2,084	1,913	1,994	1,895	1,563	1,715
Electric Wires & Cables	4,013	4,890	8,383	7,169	7,250	6,830	6,381	5,222
By Customers								
Foreign Sources	21,093	17,041	2,456	15,420	23,828	1,988	4,176	30,663
Government	3,193	4,620	8,135	6,333	8,996	9,393	7,675	5,014
Private	14,279	35,266	41,721	53,754	38,198	63,431	23,880	38,072
Manufacturing	6,711	17,112	27,621	22,054	13,812	14,168	11,200	19,106
Textiles	1,244	2,809	3,272	2,128	1,524	699	1,519	2,913
Chemicals	1,765	4,831	5,320	5,284	5,661	4,440	2,292	5,302
Iron & Steel.....	834	3,067	7,591	6,787	7,583	4,970	3,772	3,137
Machinery, Shipbuilding	1,927	4,713	9,235	5,582	3,629	2,804	2,751	5,494
Others.....	941	1,691	2,203	2,276	1,111	1,256	866	2,260
Non-Manufacturing	7,569	18,154	14,103	31,699	18,385	49,265	12,679	18,965
Transportation	3,107	8,695	1,903	10,258	4,312	37,708	4,460	10,060
Electric Power.....	2,545	6,247	6,657	14,460	9,001	8,056	4,261	5,757
Coal Mining	249	785	817	909	714	556	999	507
Agriculture, Forestry, Fishery	593	851	1,136	2,080	830	662	1,099	825
Others.....	1,075	1,909	3,590	3,992	3,528	2,243	1,860	1,806
Sales Agents.....	1,304	1,881	3,091	2,893	2,342	1,842	2,011	1,888
Total Orders.....	30,871	58,810	55,408	78,409	73,365	76,660	37,745	75,640
Orders Outstanding.....	286,699	617,917	745,146	780,595	790,174	784,056	785,947	507,383
Sales Total	19,913	31,447	41,839	40,732	49,061	42,778	44,397	36,612

23. Electric Energy Consumption (1,000 KWH)

Supplied by Power Companies (Over 500 kw)					Industries	Self-generated				
1957				1956		1957				1956
April*	May*	June*	July*	July*		March	April	May	June	June
238.6	249.8	▲ 245.1	263.0	237.5	Mining	45,658	48,281	48,758	45,517	48,708
34.5	39.4	▲ 39.7	43.1	36.8	Foodstuffs	905	2,565	2,997	2,604	825
188.3	201.9	▲ 198.0	208.3	176.0	Spinning	2,515	1,557	1,221	1,457	1,054
235.7	259.7	256.2	263.9	212.9	Paper & Pulp	79,610	59,772	63,412	62,113	63,909
851.7	1,105.9	962.3	1,065.9	918.2	Chemicals	209,675	215,400	246,547	232,284	237,923
14.0	16.5	16.1	17.5	13.5	Oil & Coal Products	3,779	3,082	3,287	3,658	2,231
22.6	23.5	22.7	24.0	18.7	Rubber Goods	—	—	—	—	—
77.2	85.6	▲ 82.6	89.4	59.3	Glass & Ceramics	122,412	119,293	121,247	117,235	109,074
700.3	820.7	758.5	808.9	608.6	Primary Metals.....	210,358	210,355	243,639	226,890	252,919
8.6	9.3	▲ 9.0	9.7	7.2	Metal Products.....	—	—	—	—	—
39.1	40.5	39.9	43.1	34.4	Machinery	370	289	45	299	214
62.8	72.8	72.8	76.8	54.9	Electric Machinery & Tools.....	—	—	—	—	—
80.4	85.3	82.4	86.6	68.2	Transportation Machinery & Tools	—	10	—	2	—
10.2	11.5	▲ 11.4	12.8	11.7	Other Manufacturing	—	—	—	—	—
2,325.4	2,772.5	2,551.6	2,750.0	2,220.5	Manufacturing Total	629,639	612,323	682,395	656,542	668,149
294.6	300.1	▲ 281.3	297.5	265.0	Public Utilities	220	174	237	181	210
100.7	107.1	▲ 117.4	129.4	113.5	Others	—	▲ 48	▲ 53	292	—
2,959.3	3,429.5	▲ 3,439.9	3,439.9	2,826.0	Total	675,517	660,826	731,343	702,532	717,282

24. Coal Supply & Demand (1,000 metric tons)

Year & Month	Production	Stock Deliveries			Deliveries			Others	Home Consumption	Month-end Stocks		
		Coal Dealers	Large User Factories	Adjustment	Total	Deliveries	of which Exports			Total	Coal Dealers	Large User Factories
1956: Total	4,187	(↔) 54	(↔) 188	(↔) 3	4,244	4,439	28	(↔) 195	4,404	3,865	1,287	2,578
1957: March	4,072	(↔) 53	(↔) 491	(↔) 23	4,148	4,418	5	(↔) 270	4,634	3,321	1,234	2,087
April	4,440	(↔) 184	(↔) 254	(↔) 6	4,262	4,414	9	(↔) 152	3,999	3,759	1,418	2,341
May	4,477	(↔) 141	(↔) 719	(↔) 9	4,345	4,530	51	(↔) 185	3,611	4,312	1,559	3,060
June	4,312	(↔) 48	(↔) 546	(↔) 17	4,281	4,371	7	(↔) 90	3,728	5,091	1,607	3,484
July	4,363	(↔) 108	(↔) 810	(↔) 24	4,279	4,428	2	(↔) 159	3,467	6,009	1,715	4,294
1956: July	3,921	(↔) 152	(↔) 297	(↔) 5	3,773	3,810	26	(↔) 37	3,451	5,734	2,126	3,608

25. Supply & Demand of Pig-iron and Steel Materials (In tons) (MITI)

Year & Month	Pig iron			Steel			Steel Materials		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1956: Total	5,987,104	1,255,685	87,196	8,185,676	6,275,251	297,624	494,765	373,749	23,433
1957: February.....	522,216	98,244	98,562	789,699	615,725	314,174	55,472	40,598	23,400
March	588,727	112,898	110,900	840,498	634,862	322,049	58,693	42,745	21,272
April	558,528	107,887	115,015	820,074	618,436	327,169	56,890	42,652	21,900
May	601,399	119,191	117,362	828,531	635,793	326,588	63,113	45,642	24,864
June	566,857	123,599	133,651	799,609	580,862	354,552	64,909	48,515	27,591
July	617,590	139,726	149,099	799,184	599,159	360,905	61,896	46,581	28,762
1956: July	483,032	102,571	102,219	685,542	537,568	267,859	42,297	33,109	19,305

Notes: 55 machinery companies together with 18 iron frame, bearing & electric wire companies are surveyed for Table 22. * In Table 23 indicate that the unit is in million KWH. Table 24 does not include import coal. Others in "Demand" column is the balance of sales volume by un-authorized sales agents plus dust coal output. "At Collieries" column includes the coal stocks on the seaboard mines.

26. Supply & Demand of Textile Products

(MITI. Central Raw Silk Association)

Year & Month	Cotton Yarn (1,000 lb.)				Rayon Yarn (1,000 lb.)				Raw Silk (123 lb. bale)			
	Carry-overs	Receipts	Deliveries	Month-end Stocks	Carry-overs	Receipts	Deliveries	Month-end Stocks	Production	Exports	Home Deliveries	Term-end Stock
1957: Jan.	9,894	103,4	101,948	9,343	4,207	29,856	28,814	5,249	18,891	5,011	16,496	14,092
Feb.	9,342	90,997	91,702	8,638	5,249	29,870	29,467	5,652	23,649	4,654	19,341	13,746
Mar.	8,638	93,290	93,669	8,259	5,652	32,771	31,680	6,743	25,195	5,064	20,819	13,058
Apr.	8,259	90,895	88,867	10,294	6,743	30,644	32,741	6,846	23,265	4,936	19,547	11,840
May.	10,294	86,544	89,761	7,077	6,646	32,256	32,510	6,392	21,545	4,652	18,261	10,472
June.	7,077	87,738	85,585	9,230	6,392	32,348	32,265	6,475	20,765	5,083	16,553	9,694
July.	9,230	74,756	76,568	7,418	6,475	30,333	29,472	7,336	32,074	6,892	21,510	13,276
1956: July.	7,451	86,547	86,470	7,528	2,846	26,779	27,022	2,638	31,620	5,818	22,468	17,366

Year & Month	Cotton Textiles (1,000 sq. yds)				Rayon Yarn (1,000 sq. yds)				Silk Textiles (1,000 sq. yds)	
	Carryovers	Receipts	Deliveries	Month-end Stocks	Carryovers	Receipts	Deliveries	Month-end Stocks	Production	Exports
1957: Jan.	197,992	479,322	482,853	194,461	72,029	147,581	142,821	76,789	16,994	3,770
Feb.	194,461	485,040	473,376	206,125	76,789	152,289	155,168	73,910	17,338	4,238
Mar.	206,125	509,798	501,266	214,657	73,910	158,221	157,090	75,041	17,474	5,094
Apr.	214,657	529,984	508,840	235,801	75,041	168,227	137,511	75,757	18,630	2,094
May.	235,831	558,882	551,589	243,094	75,757	140,830	140,801	75,786	18,909	5,174
June.	243,094	546,301	548,553	240,842	75,786	73,780	137,793	73,305	18,834	..
July.	240,842	520,068	535,588	225,322	73,305	139,142	138,546	73,901	19,024	..
1956: July.	202,819	456,759	466,846	192,732	68,501	144,634	141,299	71,836	16,011	4,027

27. Supply & Demand of Paper and Pulp

Year & Month	Pulp (long ton)				Paper, Western Style (in 1,000 pounds)				Cardboard & Japanese Style Paper (in 1,000 pounds)			
	Production	For Paper	Deliveries	In Stock	Production	Deliveries	Self-Consumption	In Stock	Production	Deliveries	Self-Consumption	In Stock
1957: Jan.	187,748	130,202	84,868	28,350	293,609	295,808	7,963	139,505	496,411	485,474	20,306	137,292
Feb.	188,790	99,942	88,182	29,016	296,400	298,238	8,640	99,033	507,112	494,975	22,411	127,019
Mar.	203,373	109,294	94,685	28,410	324,618	313,074	13,498	100,079	550,072	523,030	23,811	130,250
Apr.	198,117	106,796	87,269	32,462	320,865	304,363	9,262	107,318	551,556	520,067	23,791	137,947
May	210,584	115,149	94,303	33,693	339,924	321,932	10,429	114,882	581,037	547,217	24,579	147,189
June	209,506	113,033	95,599	34,477	336,562	308,037	10,475	132,932	563,552	521,942	25,648	169,151
July	214,727	117,141	89,268	42,795	349,013	302,067	10,997	163,881	585,063	513,148	26,096	214,969
1956: July	180,631	97,278	87,857	28,801	288,589	289,806	9,680	151,139	474,644	469,061	22,512	192,849

28. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

Year & Month	Ammonium Sulphate			Soda Ash			Caustic Soda		
	Production	Deliveries	In Stock	Production	Deliveries	In Stock	Production	Deliveries	In Stock
1957: January	181,721	209,503	230,611	35,702	31,278	8,184	59,315	51,547	11,251
February	172,075	194,209	201,370	33,070	31,923	7,675	56,835	51,203	9,253
March	172,930	235,321	128,500	34,386	32,656	7,566	60,950	54,346	7,565
April	194,880	246,429	69,118	33,752	29,390	10,069	59,769	49,536	9,809
May	236,761	235,922	59,760	32,624	31,359	9,448	64,457	52,764	12,398
June	216,102	183,204	86,829	33,040	29,324	11,344	63,073	50,418	15,474
July	238,673	174,797	146,298	31,817	30,697	10,506	63,086	49,353	19,443
1956: July	200,429	161,473	165,643	29,836	29,202	6,187	56,524	47,946	9,885

29. Supply & Demand of Cement

(In tons)

(MITI.)

Year & Month	Production	Consumption	Deliveries			Month-end Stocks
			Export	Home sales	Total	
1957: Jan.	1,019.4	5.3	159.1	890.2	1,049.3	269.8
Feb.	1,158.5	6.0	163.2	970.5	1,130.7	291.8
Mar.	1,293.8	8.8	190.3	1,135.3	1,325.6	251.8
Apr.	1,391.9	7.9	169.1	1,148.4	1,317.5	318.4
May	1,405.5	7.6	173.8	1,186.7	1,360.5	355.7
June	1,321.6	8.5	154.4	1,098.3	1,252.8	415.9
July	1,186.1	6.4	141.3	1,029.7	1,171.0	424.6
1956: July	1,124.5	6.5	161.7	970.0	1,131.6	404.9

30. Supply & Demand of Rubber

(Crude Rubber tons)

(MITI.)

Year & Month	Production (A)	Deliveries (B)	Month-end Stocks	Delivery Rates (B) (A)	Stock Rates (C)-(A)
1957: Jan.	8,801	8,834	3,481	100	40
Feb.	9,723	9,668	3,577	99	37
Mar.	13,562	10,403	3,811	98	36
Apr.	10,733	10,456	4,118	97	38
May	11,146	10,850	4,472	97	40
June	10,977	10,424	5,131	95	47
July	10,917	10,480	5,693	96	52
1956: July	8,663	8,410	4,182	97	48

31. Department Store Sales

(In million yen)

(MITI)

By Month	No. of Stores	Total	Clothing	Sundry Goods	Household Utensils	Provisions	Dining Room	Services	Outside Store Sales	Others	Gift Certificates
1957: February	173	17,596	7,983	3,784	1,991	2,927	555	147	16	187	237
March	174	25,978	12,632	5,580	2,674	3,782	818	223	22	276	411
April	174	23,904	11,153	5,290	2,815	3,369	777	227	21	247	301
May	175	21,185	9,645	4,422	2,744	3,188	696	193	20	278	211
June	178	22,232	10,685	4,363	2,887	3,125	684	163	18	307	228
July	178	29,719	13,627	5,502	3,459	5,787	809	188	22	326	867
1956: July	161	23,690	10,630	4,639	2,699	4,595	655	134	26	312	701

32. JPA Procurement Contracts (In \$1,000)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	Merchandise	Services	Total	Merchandise	Services
1956 Average.....	13,874	5,772	8,102	—	—	—
1957: January	16,776	8,610	8,166	1,887,867	1,076,412	811,455
February	8,138	5,006	3,132	1,895,979	1,081,392	814,587
March	10,977	5,077	5,900	1,907,047	1,086,455	820,592
April	15,165	9,353	5,812	1,922,212	1,095,808	826,404
May	12,938	7,334	5,604	1,935,091	1,103,117	831,974
June	40,997	20,319	20,678	1,976,200	1,123,457	852,743
July	73,119	58,406	14,713	2,049,319	1,181,863	867,456
August	12,688	3,599	9,179	2,062,007	1,185,372	876,635
1956: August	19,496	2,540	16,956	1,834,992	1,050,149	784,843

33. JPA Procurement Payments (In \$1,000)

Year & Month	Monthly			Cumulative total as from June 26, 1950		
	Total	U.S.'s Burden	Japan's Burden	Total	U.S.'s Burden	Japan's Burden
1956 Average.....	28,732	21,380	7,352	—	—	—
1956: December	28,113	23,113	5,000	2,628,003	2,029,719	598,284
1957: January	24,526	17,859	6,667	2,652,529	2,047,578	604,951
February	24,734	14,734	10,000	2,677,263	2,062,312	614,951
March	23,596	18,596	5,000	2,700,859	2,080,908	619,951
April	24,770	18,937	5,833	2,725,629	2,099,845	625,784
May	21,569	16,569	5,000	2,747,198	2,116,414	630,784
June	28,962	18,962	10,000	2,776,160	2,135,376	640,784
July	31,755	22,309	9,446	2,807,915	2,157,685	650,230
1956: July	28,286	23,286	5,000	2,473,352	1,910,068	563,284

34. Exports and Imports by Value

Year & Month	Value (In \$1,000)			Value (In million yen)		
	Exports	Imports	Balance	Exports	Imports	Balance
1956 Total	2,500,636	3,229,734	(→) 729,098	900,229	1,162,704	(→) 262,475
1957: February	213,239	344,205	(→) 130,966	76,766	123,914	(→) 47,148
March	274,073	392,958	(→) 118,886	98,666	141,465	(→) 42,799
April	224,538	433,030	(→) 208,492	80,834	155,891	(→) 75,057
May	236,821	452,708	(→) 215,887	85,256	162,975	(→) 77,719
June	209,803	392,872	(→) 183,069	75,529	141,434	(→) 65,905
July	250,791	389,067	(→) 138,276	90,285	140,064	(→) 49,779
August	257,606	362,275	(→) 104,669	92,738	130,419	(→) 37,681
September	259,139	319,675	(→) 60,536	93,290	115,083	(→) 21,793
1956: September	205,194	258,986	(→) 53,792	73,870	93,235	(→) 19,365

35. Exports and Imports by Settlement Area

(In 1,000 dollars)

Year & Month	Exports				Imports			
	Total	Dollar	Sterling	Open Account	Total	Dollar	Sterling	Open Account
1956 Total	*2,500,636	1,095,272	906,457	498,897	*3,229,734	1,725,151	1,057,476	447,020
1956: December	271,772	100,699	80,962	34,400	* 281,990	161,378	86,960	33,649
1957: January	* 168,991	78,808	67,557	22,625	* 327,965	177,263	116,852	33,851
February	* 213,239	89,357	94,058	27,666	* 344,205	194,536	118,368	31,300
March	* 274,073	124,258	112,731	34,046	* 392,958	206,073	149,118	37,767
April	* 224,538	108,533	85,064	30,933	* 433,030	221,241	173,707	38,078
May	* 236,821	113,074	93,918	29,824	* 452,708	252,617	164,165	35,897
June	209,803	92,397	83,701	33,705	* 392,872	223,715	139,287	29,855
July	250,791	104,042	120,987	25,762	* 389,067	220,725	145,154	23,178
1956: July	197,779	89,669	68,261	39,749	* 276,448	146,389	96,240	33,814

36. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

Year & Month	Receipts			Payments			Balance
	Exports	Invisible	Total	Imports	Invisible	Total	
1956 Total	2,402,241	822,521	3,224,763	2,470,199	461,229	2,931,429	293,334
1957: January	218,714	65,974	284,689	261,759	37,011	298,770	(→) 14,082
February	212,506	64,160	276,667	278,260	61,618	339,879	(→) 63,211
March	226,859	72,895	299,754	302,741	51,285	354,027	(→) 54,272
April	223,663	74,606	298,270	301,699	53,381	355,081	(→) 56,810
May	228,696	81,106	309,802	349,092	57,818	406,910	(→) 197,108
June	205,312	80,228	285,540	340,217	59,090	399,307	(→) 113,766
July	240,792	75,765	316,557	367,375	50,794	418,170	(→) 101,613
August	249,951	70,705	320,656	342,469	47,578	390,048	(→) 69,392
1956: August	212,713	69,842	282,556	232,463	50,610	283,073	(→) 516

Notes: The yen-base contracts in Table 32 are those contracts which the Japanese Government pays for according to the article 25 of the Japan-America Administrative Agreement out of "defense expenses." * includes optional cargoes in exports and imports from such special sources as pelagic fisheries, Japanese territorial waters, foreign territorial waters, and high seas in Imports.

37. Exports and Imports by Country

(In million yen)

Settlement Area	Countries	Exports					Imports				
		1956 Total	April 1957	May 1957	June 1957	July 1957	1956 Total	April 1957	May 1957	June 1957	July 1957
	Total Exports or Imports ..	900,229	80,834	85,256	75,529	90,285	1,162,704	155,891	162,975	141,435	140,064
	Asia Total	367,989	32,178	34,398	31,178	35,076	377,253	46,333	45,501	41,664	39,016
0	Korea	22,898	2,769	2,742	2,957	2,172	4,004	406	343	475	262
£A	China	24,242	1,752	2,113	1,477	1,950	30,103	2,720	3,337	2,950	3,853
£	Ryukyu Islands	24,241	1,728	1,787	1,824	1,951	7,991	626	895	532	508
£	Hong Kong	48,406	4,006	2,874	2,821	3,055	6,725	780	1,087	946	915
0	Formosa	28,029	2,109	1,630	2,080	1,984	16,383	2,643	2,556	1,594	689
	Southeast Asia Total	235,173	20,820	21,955	20,120	22,807	217,261	23,953	23,009	21,262	19,042
£	South Viet Nam	19,238	2,186	2,203	2,503	1,659	568	232	406	267	70
£A	Thailand	21,922	2,326	2,440	1,916	2,104	12,641	1,892	1,974	2,174	1,040
£	Malayan Union	5,652	433	429	375	381	38,986	4,305	5,564	4,974	6,368
£	Singapore	22,396	1,826	1,753	1,575	1,748	10,933	1,774	1,696	1,425	899
0	Philippines	19,981	2,002	3,127	3,338	3,385	42,033	3,955	3,898	4,221	4,359
0	British Borneo	366	15	38	23	29	10,997	1,213	1,333	1,070	1,239
£	Indonesia	27,282	1,297	850	1,501	4,193	32,035	2,504	2,819	2,036	1,305
£	Burma	13,057	2,587	2,717	1,957	1,723	15,254	2,761	869	469	131
£	India	37,907	3,072	4,640	2,806	3,163	37,229	3,527	3,161	3,464	2,822
£	Pakistan	6,363	422	345	413	511	18,224	1,844	1,178	860	734
£	Ceylon	8,733	446	418	797	537	1,172	296	202	54	223
£	Iran	6,877	1,024	1,058	464	1,223	6,142	735	732	886	801
£	Iraq	7,218	494	770	526	766	4,502	717	1,114	624	1,368
£	Aden	2,888	449	503	433	327	1,216	193	315	208	230
£	Saudi Arabia	2,932	313	195	159	182	49,784	6,750	7,002	7,149	5,521
£	Kuwait	2,876	241	375	175	556	14,609	3,587	2,141	2,399	2,826
0	Turkey	2,290	15	51	34	7	378	163	3	257	—
£	Jordan	824	16	148	132	117	81	—	—	—	—
£	Syria	1,893	31	292	193	220	1,054	80	136	436	82
£	Lebanon	857	98	234	124	167	404	0	42	113	12
	Europe Total	90,135	8,657	9,091	8,793	12,972	83,334	14,825	17,134	12,186	12,922
£A	Sweden	5,880	605	677	764	767	2,508	653	502	433	592
£A	Denmark	3,637	238	1,542	303	1,482	1,013	149	142	182	156
£	United Kingdom	22,749	2,698	1,766	1,778	4,475	23,969	3,875	4,280	3,514	3,185
0	Netherlands	9,646	758	822	900	790	4,361	607	683	407	546
£	Belgium & Luxemburg	5,141	382	523	414	469	4,180	1,708	1,280	1,213	563
£A	Economic Union	5,056	504	545	848	549	7,774	1,280	1,075	504	727
£A	France	13,106	1,482	1,456	1,392	1,918	20,221	5,119	6,745	3,978	4,674
£A	West Germany	1,568	0	70	88	89	2,858	11	445	16	172
£A	East Germany	3,566	340	299	316	331	5,043	712	919	684	874
£	Switzerland	4,974	214	253	168	40	5,456	59	233	79	4
£A	Spain	6,005	167	396	343	379	3,513	246	296	345	156
£A	Italy	527	40	51	63	1,278	147	77	145	75	299
0	Norway	595	42	47	33	32	557	11	66	562	462
£A	Finland	1,653	95	147	131	139	347	68	193	56	173
£A	Austria										
	North America Total	234,301	20,669	19,359	21,130	24,986	516,063	65,226	75,712	67,321	67,787
£	Canada	24,885	1,827	1,818	1,992	2,270	51,885	4,003	5,272	5,162	6,945
£	U.S.A.	195,590	16,261	16,208	17,540	20,977	383,254	56,893	64,649	56,178	54,531
£	Mexico	2,548	268	186	150	232	46,119	1,405	1,995	903	681
£	Cuba	1,266	139	188	191	207	22,138	957	3,294	2,748	4,224
£	Panama	1,594	1,396	138	195	165	92	1,272	7	2	1
£	Colombia	2,662	100	66	66	222	608	19	46	4	9
£	Ecuador	438	31	28	46	50	99	16	4	43	10
	South America Total	48,273	2,263	2,236	2,012	3,064	45,960	3,712	4,330	1,977	4,499
£	Peru	3,010	322	287	288	341	9,243	1,015	1,545	652	1,966
0	Brazil	16,256	588	733	556	805	18,075	1,405	1,649	744	1,886
£A	Argentina	14,016	185	168	172	429	12,563	396	162	172	206
£	Chile	2,682	303	168	176	179	1,698	591	286	132	77
	Africa Total	141,300	15,514	18,555	10,866	12,082	36,520	4,240	3,216	4,836	2,998
0	Egypt	3,741	561	595	776	878	15,505	1,830	793	1,517	999
£	Nigeria & Ghana	26,621	1,745	1,715	2,145	2,126	224	37	33	79	72
£	Liberia	81,233	9,532	12,347	3,871	4,343	484	325	6	1	1
£	Belgian Congo	1,361	151	125	157	148	58	48	42	24	320
£	British East Africa	6,017	750	850	1,029	1,300	5,630	507	579	910	183
£	Union of South Africa ..	12,465	1,344	1,478	1,638	1,921	9,492	1,038	1,279	1,756	1,107
	Australia & Oceania Total ..	18,227	1,551	1,613	1,551	2,105	103,542	21,552	17,070	13,447	12,838
£	Australia	11,114	964	1,103	1,067	1,143	89,436	18,958	14,214	9,379	10,451
£	New Zealand	2,138	163	185	160	400	3,387	754	1,387	2,128	950
£	Hawaii	2,499	172	248	129	276	381	274	292	190	21
0	New Caledonia	387	59	5	41	153	6,137	867	908	1,124	1,028
0	French Oceania	45	2	2	1	0	1,523	279	91	236	136
£	Guam	525	51	2	40	48	584	285	21	138	7

Source: Finance Ministry.

Note: 0 denotes open account area; \$, dollar area; £, sterling area. £A stands for Specified Area A and B.

38. Exports by Major Articles

(In million yen)

Articles	Unit	1956		1957							
		Total		April		May		June		July	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Food	—	—	63,797	—	5,345	—	4,049	—	4,529	—	6,317
Fish & Shellfish	m.t.	196,489	43,427	14,464	3,920	9,788	2,237	14,836	2,601	20,454	4,191
Canned, Bottled Fish	"	108,359	32,181	8,205	2,997	6,008	1,660	7,002	1,608	10,568	2,950
Cereals	—	—	970	—	49	—	48	—	38	—	50
Fruit & Vegetables	m.t.	127,118	9,963	7,048	822	9,328	1,177	10,012	1,268	12,167	1,235
Sugar & Sugar Preparations	—	—	798	—	24	—	18	—	78	—	90
Tea	1,000 lbs.	22,579	2,035	988	80	910	81	922	104	2,147	229
Beverage & Tobacco	—	—	959	—	233	—	76	—	114	—	153
Beverages	—	—	664	—	50	—	58	—	62	—	64
Tobacco	—	—	295	—	183	—	18	—	52	—	89
Raw Materials	—	—	34,197	—	2,464	—	2,536	—	2,593	—	2,926
Lumber	cu.m.	546,344	10,257	29,742	606	35,057	766	31,951	653	37,262	762
Textile, Fibre	1,000 lbs.	68,821	19,876	5,427	1,451	6,444	1,459	9,437	1,679	9,113	1,893
Raw Silk	"	9,957	15,046	672	1,066	632	980	666	1,010	850	1,278
Fertilizers & Mineral Products	—	—	192	—	24	—	23	—	16	—	28
Animal & Vegetable Materials	—	—	3,000	—	265	—	217	—	195	—	199
Coal & Petroleum	—	—	4,060	—	149	—	236	—	140	—	99
Animal & Vegetable Oils	—	—	8,913	—	419	—	566	—	428	—	475
Animal Oil	m.t.	—	7,813	302	174	3,164	443	1,294	290	358	208
Cod-liver Oil	"	3,962	1,862	228	170	194	203	208	201	266	202
Vegetable Oil	"	8,191	1,070	1,935	243	1,261	150	1,165	137	2,384	266
Chemicals, Drugs	—	—	38,403	—	4,102	—	4,799	—	3,836	—	4,193
Pharmaceuticals	—	—	3,765	—	320	—	477	—	409	—	441
Chemical Fertilizers	m.t.	919,490	17,923	132,102	2,536	137,025	2,911	99,206	2,078	105,636	2,299
Manufactured Products by Materials	—	—	461,491	—	38,186	—	40,842	—	39,769	—	45,473
Rubber Goods	—	—	8,290	—	794	—	934	—	711	—	772
Tyres & Inner Tubes	m.t.	17,230	6,793	1,578	633	1,937	783	1,520	564	1,603	625
Wood & Cork Products	—	—	19,688	—	2,143	—	2,022	—	2,035	—	2,227
Paper & Related Products	m.t.	113,850	10,389	9,729	1,003	9,263	955	8,116	815	9,218	949
Textile Yarns & Fabrics	—	—	249,585	—	21,200	—	22,775	—	23,661	—	26,210
Woollen Yarn	1,000 lbs.	7,276	4,918	627	456	522	388	758	505	976	693
Cotton Yarn	"	27,294	9,448	4,106	1,210	2,789	756	1,806	504	3,574	1,112
Rayon Yarn	"	18,591	3,253	1,357	266	2,906	534	2,228	409	2,573	470
Spun Rayon Yarn	"	35,536	5,779	2,328	399	1,792	303	1,912	327	11,240	1,996
Cotton Fabrics	1,000 sq. yds.	1,262,049	95,989	105,707	8,169	121,799	9,307	133,990	10,163	112,679	9,135
Silk Fabrics	"	47,884	9,074	3,853	707	4,451	784	5,287	950	4,976	912
Woollen Fabrics	"	22,328	12,017	2,348	1,325	2,136	1,207	2,505	1,361	2,249	1,273
Artificial Fibre Fabrics	"	1,165,827	79,867	95,234	6,278	104,709	6,812	107,017	6,787	122,856	7,734
Non-Metallic Mineral Products	—	—	41,241	—	3,547	—	3,707	—	3,555	—	3,672
Cement	m.t.	2,111,670	13,681	201,129	1,312	191,566	1,266	195,025	1,289	154,679	983
Glass Products	—	—	5,692	—	441	—	463	—	452	—	478
Chinaware	—	—	17,818	—	1,543	—	1,601	—	1,440	—	1,752
Precious Metals & Gems	—	—	9,724	—	845	—	946	—	766	—	887
Pearls	kg.	24,581	4,842	2,386	551	1,899	609	1,525	420	1,853	488
Base Metals	—	—	98,497	—	6,821	—	7,379	—	6,414	—	8,748
Iron & Steel	m.t.	1,290,540	80,420	72,588	5,757	77,076	6,092	55,810	4,979	88,228	7,300
Steel Bars & Shapes	"	289,337	8,903	3,510	181	5,641	235	3,702	169	2,614	130
Steel Plates (ungalvanized)	"	224,552	14,885	16,526	1,252	15,926	1,195	16,352	1,307	14,805	1,140
Copper	"	8,366	3,574	345	130	396	143	414	153	210	78
Nickel	"	3,413	4,485	244	334	230	397	313	552	384	586
Aluminium	"	10,221	2,687	288	89	337	111	262	83	298	96
Metal Products	—	—	23,872	—	1,803	—	2,095	—	1,786	—	1,979
Machinery & Transportation Equipment	—	—	174,095	—	19,766	—	21,236	—	12,679	—	17,413
Machinery (excl. electric machines) ..	—	—	41,945	—	4,066	—	3,518	—	3,576	—	3,919
Metal Processing Machines	—	—	981	—	71	—	99	—	185	—	191
Textile Machines & Parts	—	—	13,203	—	1,294	—	766	—	771	—	864
Sewing Machines & Parts	—	—	14,231	—	1,372	—	1,438	—	1,287	—	1,377
Electric Machines	—	—	18,293	—	2,373	—	2,047	—	2,261	—	2,332
Gen. Motors, Trans. & Alternators ..	—	—	2,327	—	267	—	189	—	357	—	241
Electric Bulbs	1,000 pcs.	233,440	2,079	26,111	261	27,271	293	25,012	254	32,225	332
Transportation Equipment	—	—	113,857	—	13,386	—	15,671	—	6,842	—	11,162
Railway Rolling Stock	—	—	10,307	—	610	—	1,174	—	842	—	1,363
Buses, Trucks	unit	1,541	3,041	344	383	274	270	505	707	238	268
Bicycles & Parts	—	—	3,401	—	243	—	322	—	188	—	244
Ships	unit	786	93,590	77	11,859	66	13,603	86	4,801	115	8,867
Miscellaneous	—	—	111,221	—	9,955	—	10,719	—	11,232	—	12,951
Camera	unit	395,857	3,041	39,956	312	40,537	336	46,192	338	45,730	395
Toys	—	—	19,951	—	1,893	—	2,160	—	2,121	—	2,706
Livestock, Pets etc.	—	—	147	—	8	—	5	—	4	—	3
Re-export Goods	—	—	2,946	—	215	—	166	—	204	—	282
Total Exports	—	—	900,229	—	80,840	—	85,259	—	75,529	—	90,285

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.
Source: Customs Division, Tax Bureau, Ministry of Finance.

39. Imports by Major Articles

(In million yen)

Articles	Units	1956		April		May		June		July	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Food	—	—	197,571	—	155,891	—	21,516	—	20,181	—	19,002
Cereals (rice, wheat & barley, etc.) ..	m.t.	4,399,730	132,914	387,668	12,736	407,551	12,641	411,929	11,793	383,598	10,145
Fruit & Vegetables	"	96,575	5,685	312,796	701	17,412	875	15,187	900	24,887	1,012
Sugar & Sugar Preparations	"	1,363,730	48,220	90,757	3,657	140,344	6,106	115,518	5,711	119,592	6,343
Coffee	1,000 lbs.	11,125	2,412	971	208	1,250	274	826	177	1,056	223
Beverage & Tobacco	—	—	3,417	—	177	—	65	—	57	—	77
Tobacco	—	—	3,052	—	139	—	18	—	2	—	2
Raw Materials	—	—	615,744	—	77,996	—	77,271	—	65,235	—	61,823
Hides & Skins	m.t.	76,429	10,995	4,123	638	7,756	1,082	5,926	877	6,789	987
Cow Hide	"	56,770	6,748	2,758	347	6,236	704	4,417	539	5,448	632
Box Calf	"	9,284	2,872	558	166	975	263	820	254	663	212
Oil Seeds	"	1,039,351	48,162	94,457	4,463	113,467	5,188	93,950	4,277	91,953	4,104
Peanuts	"	8,848	780,551	1,129	118	556	57	1,438	143	815	82
Copra	"	40,717	3,047	4,444	309	5,557	376	3,480	247	1,456	96
Soy-beans	"	717,081	30,473	61,916	2,667	84,943	3,648	73,867	3,149	68,991	2,895
Rubber	"	139,054	31,883	14,849	3,291	17,808	3,838	13,174	2,926	24,126	3,282
Crude Rubber	"	106,881	26,457	11,541	2,652	13,255	3,059	10,354	2,403	10,864	2,550
Latex	"	10,077	2,017	1,341	264	1,032	203	949	193	863	171
Synthetic Rubber	"	10,764	3,100	1,263	344	1,769	497	1,117	310	1,738	460
Lumber & Cork	—	—	30,085	—	2,612	—	2,846	—	3,078	—	3,096
Lumber	c.m.	2,586,015	29,189	222,632	2,524	241,174	2,836	280,519	3,012	290,570	3,009
Cork	m.t.	9,180	830	951	78	386	33	532	54	779	75
Pulp & Scrap Papers	—	—	11,295	—	1,152	—	1,886	—	1,455	—	1,952
Fibres & Textiles	1,000 lbs.	2,061,544	277,859	208,523	34,410	195,475	30,251	158,690	22,250	148,528	20,066
Wool	"	324,234	93,119	46,314	17,060	40,091	14,974	23,017	8,594	22,372	6,977
Cotton	"	1,496,116	172,940	143,899	16,311	133,065	14,120	109,334	12,531	106,671	11,820
Cotton, Ginned	"	1,325,182	162,515	130,616	15,503	11,475	13,216	98,906	11,962	96,882	11,240
Cotton Linter	"	45,890	1,087	5,294	152	11,081	304	3,522	97	2,862	93
Waste Cotton	"	125,043	9,338	7,959	655	7,231	600	6,906	532	6,826	486
Hard & Bast Fibres	"	218,895	9,061	15,267	714	20,211	859	18,728	797	20,487	1,011
Jute	"	77,286	2,536	3,103	123	7,410	293	6,766	269	6,054	236
Sisal Hemp	"	26,913	1,286	3,782	118	4,757	168	5,172	158	1,924	64
Manila Hemp	"	69,503	3,513	5,847	352	4,639	252	3,548	197	10,199	607
Fertilizers & Non-metallic Minerals ..	—	—	34,458	—	3,986	—	4,084	—	4,013	—	4,026
Fertilizers	m.t.	1,700,262	15,244	169,196	1,635	169,318	1,631	153,355	1,487	191,153	1,872
Salt	"	2,303,890	10,783	217,402	1,214	226,447	1,230	174,499	877	147,210	630
Asbestos	"	33,388	2,346	2,277	174	1,980	166	5,810	400	5,344	357
Magnesite	"	93,615	1,673	8,854	214	13,043	365	19,040	482	14,835	395
Metal Ores & Metal Scrap	m.t.	12,196,121	164,379	1,402,758	26,921	1,222,429	27,480	1,400,100	25,788	1,572,462	22,748
Iron Ore	"	7,869,496	52,747	767,224	5,872	820,034	6,399	787,709	6,247	1,063,845	8,234
Scrap Iron	"	2,583,542	66,027	419,197	13,853	385,760	12,743	376,781	11,727	279,624	8,393
Non-ferrous Metals	"	1,679,421	27,820	204,099	4,044	219,287	4,141	222,357	4,534	215,088	4,198
Nickel	"	655,142	6,135	82,533	916	86,430	912	97,470	1,127	90,111	1,028
Aluminium	"	403,907	2,195	45,548	325	62,223	426	31,478	188	43,165	324
Manganese	"	206,574	3,307	25,786	530	15,430	264	24,579	469	16,514	334
Animal Materials	—	—	2,902	—	249	—	254	—	183	—	186
Vegetable Materials	—	—	3,724	—	298	—	391	—	387	—	371
Coal & Petroleum	—	—	148,553	—	22,518	—	24,549	—	21,859	—	21,133
Coal	m.t.	3,821,168	32,622	430,217	4,289	572,078	5,719	586,721	5,915	652,027	6,128
Anthracite	"	464,493	3,577	57,692	478	79,841	699	70,618	670	72,706	667
Bituminous (for coking)	"	2,963,036	26,314	276,698	2,909	397,059	4,104	386,522	4,248	353,853	3,566
Petroleum	k.l.	15,130,332	112,824	1,941,548	17,947	2,048,990	18,144	1,576,321	15,424	1,667,715	14,226
Crude & Unrefined	"	11,586,911	80,564	1,487,498	12,563	1,415,138	11,000	1,017,835	9,402	1,282,002	10,041
Gasoline	"	152,782	2,652	24,924	515	8,748	178	7,346	145	159	3
Gas Oil	"	106,761	1,113	6,134	76	19,638	235	3,187	38	12,192	147
Heavy Oil	"	3,164,794	25,181	415,840	4,557	584,939	6,986	518,213	5,192	265,174	3,655
Lubricants (excl. grease)	"	52,789	2,597	3,156	184	10,592	522	15,128	456	7,992	263
Petroleum Coke	m.t.	220,494	2,489	9,490	110	44,951	622	18,633	244	31,044	431
Animal & Vegetable Oils	—	—	12,115	—	1,687	—	1,284	—	1,221	—	1,388
Animal Fats & Oils	m.t.	105,957	8,046	16,961	1,276	11,678	924	11,165	867	13,291	1,039
Vegetable Oils	"	34,023	3,732	3,185	376	2,617	322	3,190	334	2,529	319
Chemicals, Drugs	—	—	58,789	—	6,518	—	8,556	—	5,145	—	5,523
Manufactured Products by Materials ..	—	—	56,040	—	17,948	—	18,224	—	18,540	—	19,959
Hides, Leathers & Furs	—	—	1,343	—	87	—	20	—	224	—	97
Rubber Goods	—	—	499	—	44	—	61	—	27	—	50
Paper & Related Products	m.t.	1,308	314	228	51	1,304	74	601	59	211	48
Textile Yarns & Fabrics	—	—	4,591	—	505	—	985	—	638	—	834
Base Metals	m.t.	597,073	42,481	243,061	16,537	255,670	16,087	313,742	16,841	238,430	18,036
Iron & Steel	"	532,497	21,904	224,202	11,685	237,494	12,182	308,036	14,216	331,689	16,103
Non-ferrous Metals	"	64,576	20,577	18,859	4,822	18,176	3,905	10,706	2,625	6,741	1,934
Machinery & Transportation Equipment	—	—	58,021	—	9,171	—	9,980	—	7,918	—	10,373
Machinery (excl. electric machines) ..	—	—	38,799	—	5,608	—	7,638	—	6,363	—	8,705
Electric Machines	—	—	8,149	—	531	—	710	—	630	—	929
Transportation Equipments	—	—	11,073	—	3,032	—	1,582	—	925	—	740
Miscellaneous	—	—	11,517	—	1,195	—	1,373	—	1,196	—	1,620
Live-stock, Pets etc.	—	—	814	—	15	—	7	—	7	—	4
Re-imports	—	—	123	—	92	—	110	—	76	—	163
Total Imports	—	—	1,162,704	—	155,891	—	162,975	—	141,435	—	140,064

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.

Source: Customs Division, Tax Bureau, Ministry of Finance.

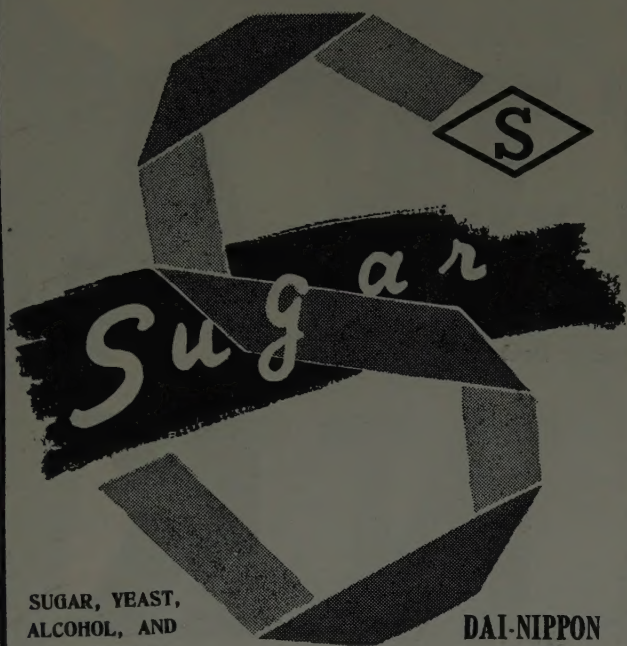
40. Spot Quotations on Tokyo Securities Exchange

Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1957			Names of Shares	Au- thorized (Paid-up) Capital In mil- lion yen	Divi- dends	1957		
			September		Oct. 15				September		Oct. 15
			High	Low					High	Low	
Mining											
Mitsubishi Metal Mining.....	2,730	18	93	86	86	Nippon Oil	4,500	15	99	90	90
Nihon Mining.....	5,670	16	79	70	65	Showa Oil	2,550	20	131	120	118
Sumitomo Metal Mining	2,145	18	91	77	74	Maruzen Oil	5,250	20	187	112	115
Mitsui Metal Mining	2,400	18	108	99	96	Mitsubishi Oil	2,400	20	180	164	168
Mitsui Mining.....	3,000	10	94	82	77	Toa Nenryo Kogyo	4,738	25	151	145	149
Mitsubishi Mining.....	2,700	12	107	99	99	Mitsubishi Chemical Ind.	5,950	15	199	101	100
Sumitomo Coal Mining	2,400	12	77	68	64	Rubber, Glass & Ceramics					
Furukawa Mining	2,100	12	125	107	104	Yokohama Rubber.....	2,000	18	156	143	140
Ube Industries	6,000	20	139	125	125	Asahi Glass.....	5,000	28	241	206	230
Teikoku Oil	2,000	12	147	131	127	Nippon Sheet Glass	2,500	20	175	160	167
Dowa Mining	2,500	20	164	120	131	Nihon Cement.....	5,000	18	118	113	117
Foodstuffs											
Nippon Suisan	3,500	15	100	95	93	Iwaki Cement	1,000	26	305	288	292
Nippon Flour Mills	1,440	17	112	83	82	Onoda Cement	8,000	16	85	80	81
Nisshin Flour Milling	1,000	16	128	122	121	Nippon Toki	520	23	255	205	230
Dainippon Sugar Mfg.	720	25	158	149	150	Nippon Gaishi.....	500	23	270	241	263
Taito.....	300	45	321	291	314	Metal Industries					
Meiji Sugar Mfg.	500	30	160	147	146	Yawata Iron & Steel.....	15,000	12	73	65	64
Toyo Sugar	366	30	172	160	173	Fuji Iron & Steel	13,000	12	70	60	59
Japan Beet Sugar Mfg.	675	20	150	139	130	Kawasaki Steel	9,378	5	62	58	57
Morinaga Confectionery	750	20	164	153	168	Nippon Kokan	15,000	15	75	66	64
Meiji Confectionery	840	20	141	132	131	Sumitomo Metal Ind.	10,000	12	67	60	60
Nippon Breweries	1,825	18	148	140	145	Kobe Steel	7,968	12	60	51	50
Asahi Breweries.....	1,825	18	159	150	159	Tokyo Rope	485	30	235	192	205
Kirin Brewery.....	2,768	20	214	161	166	Japan Light Metal.....	2,995	15	178	158	166
Takara Shuzo	3,927	20	79	69	68	Toyo Seikan	(A) 800	25	1,125	1,059	1,060
Japan Distilling	1,155	25	53	50	51	Machinery					
Honen Oil Mills	1,000	17	142	131	137	Ebara Mfg.	630	25	222	193	208
Nissin Oil Mills	750	20	118	109	108	Nippon Seiko	800	15	159	142	150
Noda Soy Sauce.....	800	25	240	229	243	Toyo Bearing	630	20	168	152	151
Ajinomoto	2,296	25	236	219	231	Koyo Seiko	700	15	97	83	83
Nippon Cold Storage	2,000	16	100	94	94	Electric Machinery					
Textiles											
Toyo Spinning	6,450	24	213	190	206	Hitachi Ltd.	15,000	15	106	97	100
Kanagafuchi Spinning	3,738	18	129	114	130	Tokyo Shibaura Electric	15,000	15	95	73	75
Dai Nippon Spinning	5,250	18	118	109	121	Mitsubishi Electric	8,100	15	98	88	91
Fuji Spinning	3,000	18	104	99	109	Fuji Electric Mfg.	3,600	15	107	97	104
Nisshin Cotton Spinning	1,560	32	220	205	218	Furukawa Electric	6,000	12	102	70	70
Kurashiki Spinning	2,600	25	128	115	121	Nippon Electric	4,000	15	109	94	122
Nitto Spinning	1,700	15	80	78	81	Transportation Equipment					
Ohmi Kenshi Spinning.....	2,000	10	50	43	47	Mitsubishi Shipbuilding & Engineering.....	5,600	12	102	92	97
Japan Wool Textile	2,563	20	146	122	140	Mitsubishi Nippon Heavy Ind. ..	3,000	12	99	86	88
Daito Woollen Spinning	1,500	18	95	86	85	Mitsui Shipbuilding & Engineering.....	2,240	15	118	105	123
Chuo Textile	500	10	50	45	48	Mitsubishi Heavy Ind. Reorg. ..	11,200	12	83	76	73
Teikoku Rayon	4,800	20	131	116	121	Ishikawajima Heavy Ind.	2,630	12	77	68	73
Toyo Rayon	6,000	20	260	241	245	Nissan Motor	4,200	15	136	115	116
Toho Rayon	1,500	20	93	82	94	Isuzu Motor.....	3,000	16	110	101	106
Mitsubishi Rayon	2,250	20	109	95	106	Precision Machinery					
Kurashiki Rayon	3,000	15	160	147	150	Nippon Kogaku	465	15	135	125	142
Asahi Chemical	(B) 3,675	22	396	371	380	Canon Camera.....	800	25	236	200	227
Paper & Pulp											
Kokoku Pulp	3,000	12	53	50	50	Other Manufacturing Industries					
Sanyo Pulp	2,610	18	91	83	91	Toppan Printing.....	500	18	130	120	121
Nippon Pulp Ind.	1,630	20	113	108	112	Nippon Musical Instrument....	450	15	202	185	193
Kokusaku Pulp	1,680	20	96	88	83	Trading Companies					
Tohoku Pulp	2,028	20	95	87	87	Mitsui Bussan.....	1,868	20	139	121	111
Oji Paper	1,630	25	260	244	248	Mitsubishi Shoji	5,000	14	94	81	80
Honshu Paper	2,000	8	103	96	112	Mitsukoshi	2,430	26	244	220	217
Jujo Paper	1,120	30	305	287	290	Real Estate					
Mitsubishi Paper Mills	1,080	15	95	83	85	Mitsui Real Estate	420	15	377	345	363
Hokuetsu Paper Mills	900	10	61	53	56	Mitsubishi Estate	2,064	18	216	200	222
Chemical Industries											
Toyo Katsui Ind.	3,630	15	152	142	142	Heiwa Real Estate.....	1,323	12	262	250	233
Nitto Chem. Ind.	2,525	8	117	110	109	Transportation & Shipping					
Showa Denko	4,500	15	159	146	145	Tobu Railways	1,600	26	126	114	116
Sumitomo Chemical	4,000	15	160	147	149	Tokyo El. Express Railway ..	3,000	13	110	102	101
Shin Nippon Chisso Hiryo....	2,400	15	92	75	71	Nippon Express	(B) 10,800	16	173	161	158
Nissan Chemical Ind.	2,080	23	71	61	66	Nippon Yusen	11,400	—	46	39	44
Nippon Soda	1,508	15	81	67	67	Osaka Shosen	7,630	—	39	33	35
Toyo Soda	1,200	15	74	67	61	Nitto Steamship	6,000	12	58	47	47
Toa Gosei Chemical Ind.	2,400	15	115	99	99	Mitsui Steamship	5,500	—	49	41	50
Electro-Chemical Ind.	2,244	15	130	122	115	Iino Kaiun	13,200	8	54	47	45
Shin-etsu Chemical Ind.	980	15	100	91	86	Mitsubishi Shipping	4,800	8	58	47	52
Mitsui Chemical Ind.	1,630	15	154	143	140	Warehouse & Entertainment					
Kyowa Fermentation	1,441	10	105	101	122	Mitsubishi Warehouse	630	12	119	106	112
Dainippon Celluloid	2,000	15	71	66	66	Shochiku Motion Picture	1,848	15	112	105	106
Nippon Chemical Ind.	800	18	101	92	90	Nikkatsu	3,287	—	48	40	39
Sankyo	780	20	165	149	165						
Kansai Paint	600	20	117	103	130						
Fuji Photo Film	2,500	18	131	120	118						
Konishiroku Photo Ind.	1,800	12	66	55	55						

Notes: (A) 500 yen shares.

(B) 100 yen shares, others 50 yen.

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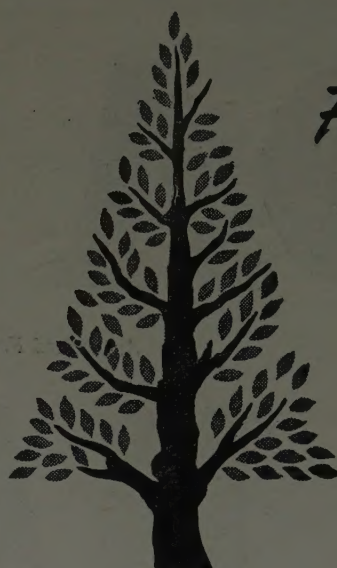
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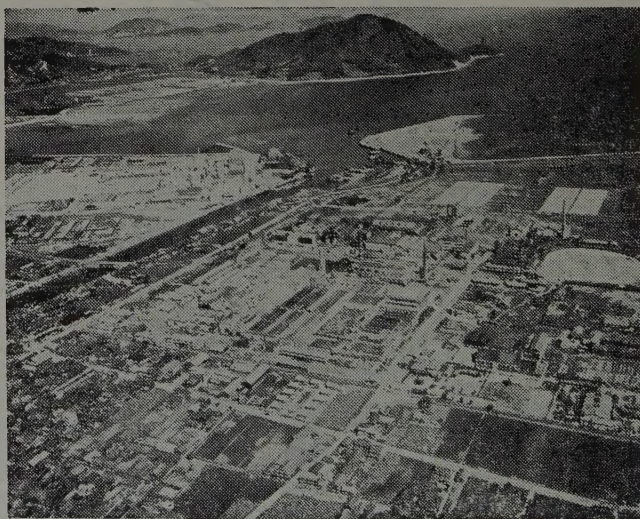


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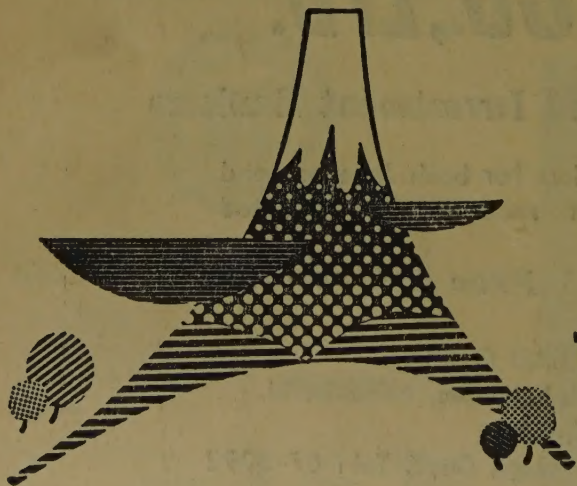
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